CENTRAL STATISTICAL OFFICE

CSO Economic Trends

ARTICLES

UK balance of payments: preliminary figures for the fourth quarter and year 1989.

The Budget: 20 March 1989

The economy: recent developments and prospects to mid-1990.

No. 437

March 1990

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Release dates of economic statistics to be published in April 1990

This is issued by the Central Statistical Office on behalf of the Government Statistical Service and other organisations as a guide to the publication dates of major economic series in April 1990. The dates are targets which are correct at the time of going to press. Exceptionally, there may be some delays due to unavoidable statistical problems. Enquiries about release of individual series should be made to the source named.

Publication date	Series	Method of release	Source
April			
Mon 2	Finished steel consumption and stock changes (4th quarter-final)	BB	CSO
	Retail sales (February-final)	PN	CSO
	Credit business (February)	PN	CSO
	CBI Monthly Trends Survey (March)	PN	CBI
Tues 3	UK official reserves (March)	PN	HMT
Wed 4	Advance energy statistics (February)	PN	Dept. of Energy
	Detailed analysis of employment unemployment, earnings, prices and other indicators	EG	DE
Thurs 5	Housing starts and completions (February)	PN	DOE
Mon 9	Producer price index numbers (March-provisional)	PN	CSO
Tues 10	Capital issues and redemptions (March)	PN	Bank of England
Wed 11	Quarterly analysis of bank advances (February)	PN	Bank of England
Thurs 12	Labour market statistics: unemployment and vacancies (March-provisional), average earnings indices (February-provisional), employment, hours, productivity and unit wage costs; industrial disputes	PN	DE
	Retail prices index and tax and price index (March)	PN	CSO
Fri 13	Usable steel production (March)	PN	British Steel plc/BISPA
Sun 15	National Savings results (March)	PN	Dept. for National Savings
Tues 17	CBI/FT Survey of distributive trades (March)	PN	CBI
Wed 18	Index of output of the production industries (February)	PN	CSO
	Retail sales (March-provisional)	PN	CSO
Thurs 19	Public Sector Borrowing Requirement (March)	PN	HMT/CSO
	Institutional investment (4th quarter)	PN	Bank of England
Mon 23	London and Scottish banks monthly statement (March)	PN	CLSB
	Provisional estimates of monetary aggregates (March)	PN	Bank of England
	Cyclical indicators for the UK economy (March)	PN	CSO
Tues 24	Building societies monthly figures (March)	PN	BSA
Wed 25	Index of production and construction for Wales (4th quarter)	PN	Welsh Office
	Balance of payments current account and overseas trade figures (March)	PN	CSO
	Construction — new orders (February-provisional)	PN	DOE
Thurs 26	Energy trends (February)	PN	Dept. of Energy
Fri 27	Engineering sales and orders at current and constant prices (February)	BB	CSO
Mon 30	Quarterly house purchase finance statistics (1st quarter)	PN	CLSB
	New vehicle registrations (March)	PN	DTp

PN = Press Notice
BB = Business Bulletin

CENTRAL STATISTICAL OFFICE

Economic Trends

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Government Statistical Service

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The sources of the series published in this volume and further information about them are shown in the index. Current telephone numbers of these sources as well as general information about *Economic Trends* can be obtained from the Central Statistical Office, Great George Street, London SW1P 3AQ. Telephone: 01-270 6363/6364.

From 6 May 1990, the London telephone numbers above carry the prefix '071', instead of '01'.

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Introduction

Economic Trends brings together all the main economic indicators. It contains three regular sections of tables and charts illustrating trends in the UK economy.

'Latest developments' presents the most up-to-date statistical information available during the month. It is important to note that data included in this section may not be wholly consistent with other sections which have gone to press earlier. All data in this section are seasonally adjusted unless otherwise stated. In most cases estimates are provisional and subject to revision.

The main section is based on information available to the CSO on the date printed at the foot of this page and shows the movements of the key economic indicators. The indicators appear in tabular form on left hand pages with corresponding charts on facing right hand pages. Colour has been used to aid interpretation in some of the charts, for example by creating a background grid on those charts drawn to a logarithmic scale. Index numbers in some tables and charts are given on a common base year for convenience of comparison.

The section on cyclical indicators shows the movements of four composite indices over 20 years against a reference chronology of business cycles. The indices group together indicators which lead, coincide with and lag behind the business cycle, and a short note describes their most recent movements. The February, May, August and November issues carry further graphs showing separately the movements in all of the 27 indicators which make up the composite indices.

In addition, quarterly articles on the national accounts appear in the January, April, July and October issues, and on the balance of payments in the March, June, September and December issues. Occasional articles comment on and analyse economic statistics and introduce new series, new analyses and new methodology.

Economic Trends is prepared monthly by the Central Statistical Office in collaboration with the statistics divisions of Government Departments and the Bank of England.

Notes on the tables

1. The statistics relate mainly to the United Kingdom; where figures are for Great Britain only, this is shown on the table.
2. Similarly, almost all quarterly data are seasonally adjusted; those not seasonally adjusted are indicated by NSA.
3. Some data, particularly for the latest time period, are provisional and may be subject to revision in later issues.
4. Rounding may lead to inconsistencies between the sum of constituent parts and the total in some tables.
5. A line drawn across a column between two consecutive figures indicates that the figures above and below the line have been compiled on different bases and are not strictly comparable. In each case a footnote explains the difference.
6. 'Billion' denotes one thousand million.
7. There may sometimes be an inconsistency between a table and the corresponding chart, because the data may be received too late to update the chart. In such cases it should be assumed that the table is correct.
8. There is no single correct definition of *money* and there are many liquid assets which are not included in any of the UK monetary aggregates but which nevertheless need to be taken into account on occasions when interpreting monetary conditions. Consequently, many definitions of money stock are widely used:

M0 the narrowest measure consists of notes and coin in circulation outside the Bank of England and bankers' operational deposits at the Bank.

M2 comprises notes and coin in circulation with the public *plus* sterling retail deposits held by the UK private sector with UK banks, with building societies and in the National Savings Bank ordinary account.

M4 comprises notes and coin in circulation with the public, together with all sterling deposits (including *certificates of deposit)* held with UK banks and building societies by the rest of the private sector.

M5 is equal to *M4 plus* private sector holdings of certain money-market instruments, CTDs, and some national savings instruments.

9. Symbols used:
   - . . not available
   - — nil or less than half the final digit shown
   - + alongside a heading indicates a series for which measures of variability are given in the table on page 83
   - † indicates that the data is either new or has been revised since last edition; the period marked is the earliest in the table to have been revised
   - * average (or total) of five weeks.

The Editor would welcome readers' suggestions for improvements to Economic Trends.

Central Statistical Office, 30 March 1990

CSO Databank

Virtually all the series in *Economic Trends* and the Quarterly Articles may be obtained as part of the CSO Databank Service on tape or disk. This enables users to obtain (in computer-readable form) a much more comprehensive and up-to-date set of long run macro-economic time series data than can be included in this publication. The tape format, unlabelled EBCDIC, is the same for all datasets. The disks, either 3½" or 5¼" are written in ASCII text which can be loaded as spreadsheets and viewed using standard spreadsheet packages, such as LOTUS or SMART.

Details of the service offered and the schedule of charges may be obtained from the Databank Manager, CSO Branch E1, Room 52/4, Government Offices, Great George Street, London SW1P 3AQ (telephone 01-270 6386). CSO does not offer direct on-line access for these data but a list of host bureaux offering such a facility is available on request from CSO.

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Latest developments in the economy

Data available at 23 March 1990

UK Official reserves and exchange rate (not seasonally adjusted)

The UK official reserves fell by $447 million in March to $38,090 million. The reserves were reduced by repayments of borrowing under the exchange cover scheme amounting to $15 million. There was no new borrowing under the exchange cover scheme. Proceeds from this month's tender of UK ECU Treasury Bills were $961 million, whereas maturing UK ECU Treasury Bills were $964 million. After taking account of foreign currency borrowing and repayments, the underlying change in the reserves during March was a decrease of $429 million.

The average Exchange Rate Index fell from 89.7 in February to 87.0 in March, a fall of 3.1 per cent.

Companies: appropriation account, capital account and financial transactions

Initial estimates for 1989 for UK industrial and commercial companies, at current prices, indicate that Gross trading profits (after deducting stock appreciation) are up 4½ per cent on 1988 to £68 billion. Gross domestic fixed capital formation is up a sixth to £47 billion, and the sector financial deficit was £23 billion compared with £8 billion in the previous year. In the fourth quarter the deficit was £6 billion compared with £3 billion in the fourth quarter of 1988.

Unemployment and vacancies

The level of unemployment in the UK decreased by 2,000 to 1.610 million in February, 5.6 per cent of the workforce. Over the past six months unemployment has fallen on average by 22,100 per month.

The stock of unfilled vacancies at jobcentres decreased by 600 to 198,700 in the month to February. Over the past three months to February, vacancies have decreased on average by 3,600 per month.

Employment

New figures this month show that in January 1990 the estimated number of employees in employment in manufacturing industries in Great Britain fell by 11,000 compared with falls of 1,000 in November and 4,000 in December.

The workforce in employment (employees in employment, the self-employed, HM Forces and participants in work related government training programmes) in the UK is estimated at 26,955,000 for September 1989, and increased by 200,000 in the third quarter of 1989 and by 786,000 in the year to September 1989.

Earnings

The underlying increase in average weekly earnings in the year to January was about 9½ per cent, the same as the increase in the year to December. The actual increase in the year to January, at 9.1 per cent, was lower than the underlying increase because of the effect of disputes in engineering industries.

In production industries, the underlying increase in average weekly earnings in the year to January was about 9 per cent, the same as the increase in the year to December. Within this sector, in manufacturing industries, the underlying increase in the year to January was about 8½ per cent. The actual increases for production industries and manufacturing industries in the year to December were 8.5 per cent and 7.9 per cent respectively.

Productivity

In the three months to January output per head was marginally down on the previous three months but was 2 per cent up on the same period a year earlier. Output per head in the whole economy in the third quarter of 1989 was little changed compared with the second quarter.

Unit wage and salary costs

Wages and salaries per unit of output in the third quarter of 1989 were 2½ per cent higher than in the second quarter and 10 per cent higher than in the corresponding period of 1988.

Output

The January index of the output of the production industries - energy and manufacturing - is provisionally estimated at 110.1 (1985=100). In the three months to January 1990, production industries' output was ½ per cent lower than in the previous three months but 1 per cent higher than in the same period a year earlier.

Manufacturing output in the three months to January 1990 was little changed compared with the previous three months but 2 per cent higher than in the same period a year earlier. Interruptions to oil extraction, starting with the loss of production from Piper Alpha, have been affecting the energy sector output since July 1988. In the three months to January 1990, total output was 1½ per cent lower than in the previous three months and 1½ per cent lower than in the same period a year earlier.

Consumers' expenditure

The final estimate of the index of the volume of retail sales in February is 124.8 (1985=100), above all previous levels. In December to February sales were 1¼ per cent more than in the previous three months and 2 per cent higher than in the same period a year earlier.

At constant prices, consumers' expenditure was 4 per cent higher in 1989 than 1988. Excluding national accounts statistical adjustments, the latest estimates show that between the years 1988 and 1989: spending on durable goods increased around 5 per cent, made up of an increase of around 10 per cent in spending on vehicles and spending on furniture and other durables, combined, little changed. Spending on non-durable goods increased slightly. Spending on services increased around 5 per cent.

Balance of payments

In February the visible deficit was £1.4 compared with a revised estimate of £2.0 billion in January, excluding oil and erratic items the deficit fell by £0.4 billion. In the three months to February there was a deficit of £4.3 billion, compared with £5.4 billion in the previous three months. Invisibles in February are projected to be in balance. The value of exports of goods (balance of payments basis) was £8.4 billion, 1 per cent lower than in January. In the three months to February, the value of exports was 5½ per cent higher than in the previous three months, and 21 per cent higher than a year earlier, excluding oil and erratic items these percentages were 5 per cent and 17 per cent respectively. Excluding oil and erratic items, the volume of exports in the three months to February was 3½ per cent higher than in the previous three months and 11 per cent higher than a year earlier.

Imports of goods in February were valued at £9.8 billion, 6½ per cent lower than in January, in the three months to February the value was ½ per cent higher than in the previous three months and 10 per cent higher than a year earlier. Excluding oil and erratic items, imports in the latest three months were ½ per cent lower than in the previous three months, but 7 per cent higher than a year earlier. Excluding oil and erratic items, the volume of imports in the three months to February was 1 per cent lower than the previous three months but ½ per cent higher than a year earlier.

Prices (not seasonally adjusted)

The general index of retail prices for all items for 13 February 1990 was 120.2 (January 1987=100) an increase of 0.6 per cent on January and 7.5 per cent since February 1989. Price increases between January and February included further sharp rises for food, dearer rail fares and a continuing rise in housing costs. There were also increases for clothing and footwear, alcoholic drinks and household goods, in part reflecting the end of some seasonal sales reductions. The Tax and Price Index (TPI) for February was 114.7 based on January 1987 = 100 an increase over the previous 12 months of 6.2 per cent.

The price index for materials and fuel purchased by manufacturing industry rose by 2.7 per cent in the twelve months to February following an increase of 3.4 per cent in the twelve months to January. From January to February the index was down by 2.6 per cent, largely reflecting the normal seasonal fall in the costs of industrial electricity. There were also some falls in the prices of metals and other imported materials. The increase in the output price index for materials and fuel purchased by manufacturing industry was little changed at 5.4 per cent in the 12 months to February, compared to 5.3 per cent in the year to January.

Monetary aggregates

Provisional information suggests that in the twelve months to February and before seasonal adjustment, M0 rose by 6.4 per cent, M4 by 18.1 per cent and M5 by 17.7 per cent. In February M0 fell by 1.4 per cent, M4 rose by 0.6 per cent and M5 also rose by 0.6 per cent, before seasonal adjustment. After seasonal adjustment, M0 rose by 0.2 per cent, M4 by 0.9 per cent and M5 also by 0.9 per cent in February.

1 Selected monthly indicators

	Volume of retail sales (GB)+ (1985=100)[1]	Index of output of production industries (1985=100)	Unemployed (thousands)	Vacancies at job centres (thousands)	Average earnings - whole economy (GB) (1988=100)	Producer price index of materials and fuel (1985=100)	Retail prices index (all items) (January 1987=100) (NSA)	Tax and price index (January 1987=100) (NSA)	Sterling exchange rate index (1985=100) (NSA)	UK official reserves ($ million) (NSA)	Balance of payments: current balance (£ million)	Money stock M4 (£ million)
	FAAM	DVIM	BCJD	DPCB	DNAB	DZDQ	CHAW	DQAB	AJHV	AIPI	AIMF	AUYN
1988 Oct	121.2†	109.8†	2 157.9	244.8	102.2	99.2†	109.5	105.4	95.7	50 048	-2 061†	348 569†
Nov	121.0	110.4	2 105.2	241.5	103.3	99.9	110.0	106.0	96.6	51 040	-1 841	351 690
Dec	120.9*	109.6	2 037.4	237.8	105.8	100.4	110.3	106.3	97.7	51 685	-1 565	357 459
1989 Jan	119.6	109.8	1 987.8	230.9	105.4	101.3	111.0	107.1	97.9	51 705	-1 393	361 296
Feb	121.8	109.2	1 948.7	229.9	106.1	100.9	111.8	108.0	97.3	51 683	-1 753	365 569
Mar	122.4*	110.0	1 916.6	224.9	107.3	102.8	112.3	108.5	95.9	46 931	-1 413	372 654
Apr	120.9	110.7	1 858.0	223.2	107.4	104.1	114.3	109.8	95.4	47 256	-1 671	375 418
May	124.0	108.4	1 835.8	219.5	107.6	104.9	115.0	110.5	94.3	46 087	-1 489	380 000
Jun	121.1*	109.2	1 810.3	224.4	108.4	104.8	115.4	110.9	91.1	43 665	-1 730	388 677 388 622
Jul	120.8	110.1	1 787.2	220.6	109.1	104.0	115.5	111.1	92.3	43 631	-1 991	391 408
Aug	121.5	111.8	1 745.3	219.5	108.9	104.0	115.8	111.4	91.6	43 208	-2 361	398 113
Sep	122.2*	111.1	1 694.3	220.7	110.9	105.1	116.6	112.2	91.3	42 876	-1 956	406 884
Oct	121.8	112.0	1 674.9	214.6	112.2	105.4	117.5	111.7	89.7	39 681	-1 920	409 376
Nov	121.6	112.0	1 652.0	209.5	112.8†	105.9	118.5	112.8	87.9	38 767	-2 019	413 997
Dec	123.2*	110.9	1 634.8†	195.4	113.5	105.4	118.8	113.1	86.5	38 645	-1 155	423 093
1990 Jan	122.1	110.1	1 612.1	199.3†	115.0	104.7	119.5†	113.9†	87.9†	38 488†	-2 020	428 007
Feb	..	..	1 640.1	198.7	..	103.7	120.2	114.7	89.6	38 537	-1 395	..
Percentage change, latest three months on previous three months												
1988 Oct	*0.9†*	*0.1†*	*-5.5*	*-3.7*	*1.8*	*0.1†*	*2.0*	*2.2*	*-0.3*			
Nov	*0.6*	*-0.1*	*-5.3*	*-2.7*	*2.4*	*-0.7*	*2.1*	*2.4*	*0.3*			
Dec	*0.7*	*-0.8*	*-5.7*	*-1.9*	*3.3*	*-0.2*	*2.1*	*2.4*	*1.5*			
1989 Jan	*0.1*	*-0.5*	*-6.8*	*-3.0*	*3.7*	*1.0*	*1.7*	*1.9*	*2.0*			
Feb	*0.2*	*-0.9*	*-7.5*	*-4.1*	*3.5*	*1.4*	*1.6*	*1.8*	*2.0*			
Mar	*0.2*	*-0.2*	*-7.1*	*-5.3*	*2.4*	*1.8*	*1.6*	*1.9*	*0.4*			
Apr	*1.0*	*0.1*	*-6.6*	*-4.5*	*2.0*	*2.1*	*2.1*	*2.2*	*-1.2*			
May	*1.4*	*0.2*	*-6.1*	*-4.4*	*1.5*	*3.0*	*2.6*	*2.3*	*-2.5*			
Jun	*0.5*	*-0.2*	*-6.0*	*-2.7*	*1.4*	*2.9*	*2.9*	*2.3*	*-3.5*			
Jul	*0.1*	*-0.6*	*-5.1*	*-2.0*	*1.4*	*1.9*	*2.2*	*1.9*	*-3.8*			
Aug	*-1.0*	*0.6*	*-4.8*	*-0.5*	*1.3*	*0.3*	*1.5*	*1.4*	*-3.7*			
Sep	*-0.3*	*1.4*	*-5.0*	*-0.9*	*1.7*	*-0.2*	*0.9*	*1.1*	*-2.0*			
Oct	*-0.1*	*2.2*	*-5.9*	*-1.5*	*2.1*	*0.3*	*1.2*	*0.8*	*-1.8*			
Nov	*-0.6*	*1.2*	*-6.0*	*-3.0*	*2.9*	*1.2*	*1.7*	*1.0*	*-2.2*			
Dec	*0.6*	*0.6*	*-5.1*	*-6.3*	*2.9*	*1.1*	*2.0*	*0.9*	*-4.0*			
1990 Jan	*0.4*	*-0.6*	*-4.2†*	*-7.7†*	*2.8†*	*0.5*	*2.0†*	*1.3†*	*-3.8†*			
Feb	..	..	*-2.7*	*-8.0*	..	*-0.8*	*1.7*	*1.5*	*-1.8*			
Percentage change, latest three months on corresponding period of previous year												
1988 Oct	*6.1*	*3.3†*	*-19.3*	*-1.0*	..	*3.0*	*6.0*	*4.0*	*5.3*			
Nov	*5.7†*	*3.4*	*-19.2*	*-4.4*	..	*3.3†*	*6.2*	*4.3*	*4.2*			
Dec	*5.8*	*2.1*	*-19.6*	*-6.1*	..	*3.8*	*6.5*	*4.6*	*4.2*			
1989 Jan	*4.5*	*1.9*	*-20.3*	*-7.7*	..	*5.1*	*6.9*	*5.0*	*4.5*			
Feb	*4.1*	*1.8*	*-21.1*	*-7.9*	..	*5.5*	*7.3*	*5.5*	*5.1*			
Mar	*3.7*	*1.6*	*-21.5*	*-9.2*	*9.4*	*6.4*	*7.7*	*5.9*	*3.9*			
Apr	*3.8*	*1.9*	*-22.0*	*-10.7*	*9.4*	*7.0*	*7.9*	*6.8*	*1.4*			
May	*3.9*	*0.6*	*-22.3*	*-12.7*	*9.4*	*7.5*	*8.1*	*7.6*	*-1.6*			
Jun	*2.9*	*-0.2*	*-22.4*	*-13.0*	*9.4*	*6.7*	*8.2*	*8.4*	*-3.2*			
Jul	*2.2*	*-1.0*	*-21.9*	*-12.6*	*9.2*	*5.2*	*8.3*	*8.4*	*-3.4*			
Aug	*1.1*	*-0.3*	*-21.6*	*-11.3*	*9.0*	*4.1*	*7.9*	*8.1*	*-3.9*			
Sep	*1.1*	*0.2*	*-21.8*	*-10.4*	*9.1*	*4.3*	*7.7*	*7.8*	*-3.6*			
Oct	*1.2*	*1.0*	*-22.2*	*-10.6*	*9.5*	*5.3*	*7.4*	*7.0*	*-4.9*			
Nov	*1.1*	*1.0*	*-22.2*	*-11.5*	*9.6*	*6.0*	*7.5*	*6.7*	*-6.3*			
Dec	*1.0*	*1.6*	*-21.3*	*-14.4*	*8.7*	*5.7*	*7.6*	*6.3*	*-8.9*			
1990 Jan	*1.5*	*1.0*	*-20.1†*	*-14.9†*	*8.6†*	*4.8*	*7.7†*	*6.4†*	*-10.2†*			
Feb	..	..	*-18.2*	*-15.1*	..	*3.7*	*7.6*	*6.3*	*-9.9*			

1 Minor revisions have been made to previously published figures for 1989 to bring the average of the monthly seasonally adjusted indices into line with the annual unadjusted index for each series.

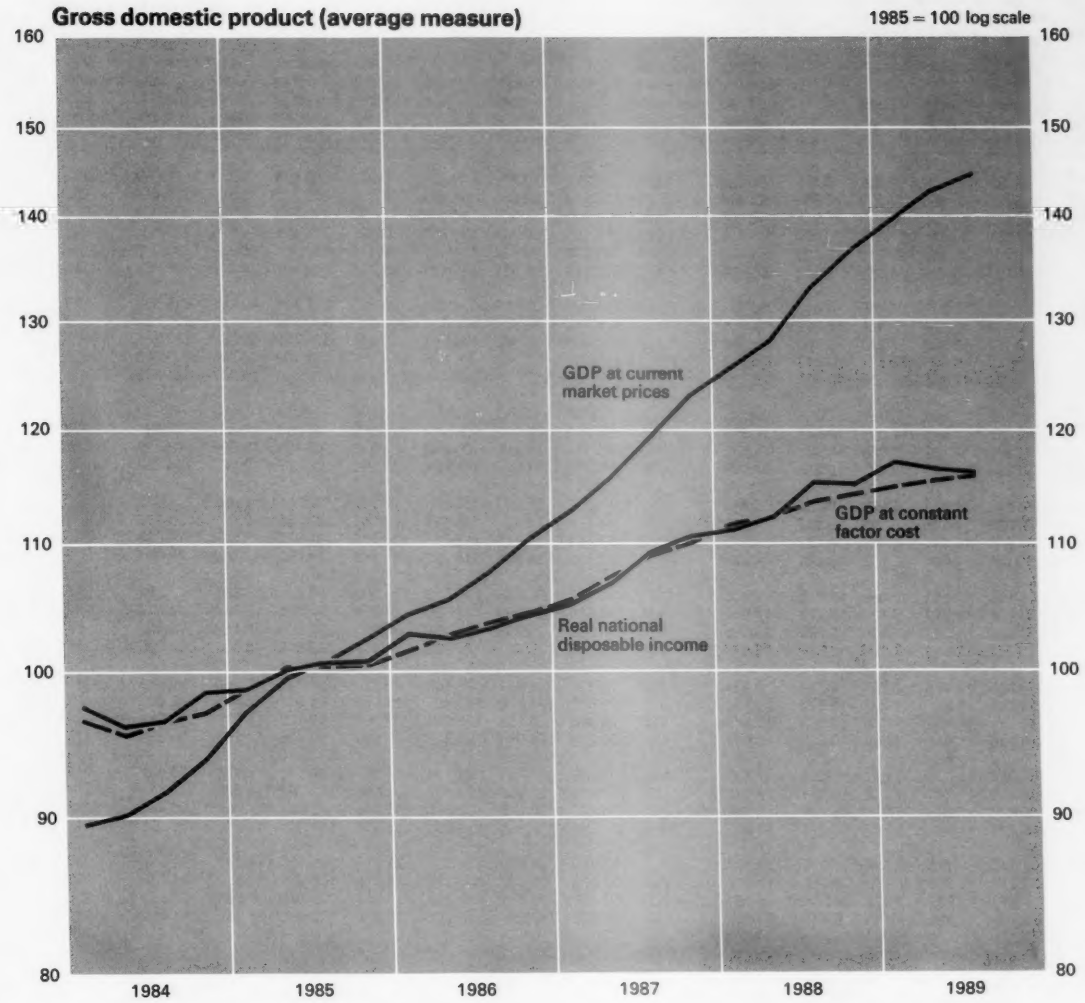
Sources: Department of Trade and Industry; Department of Employment Central Statistical Office; Bank of England

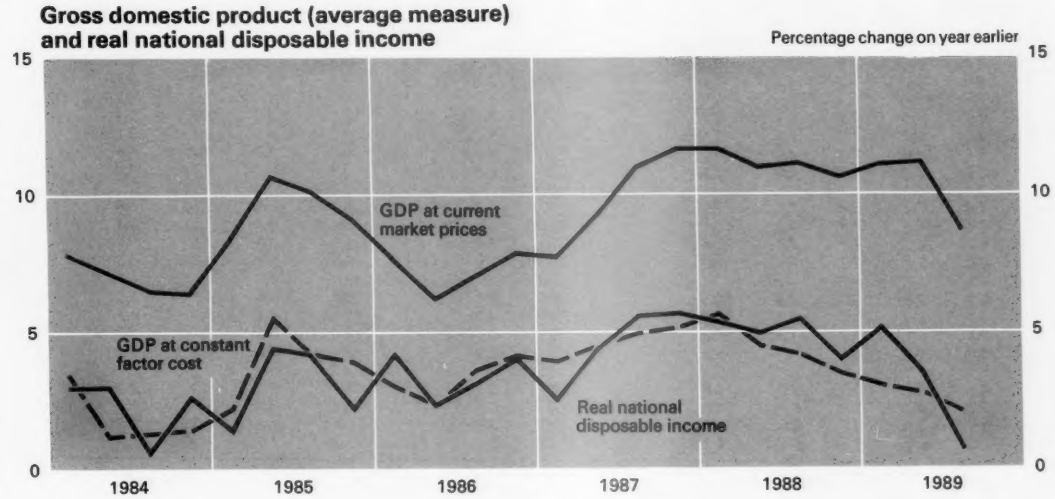
2 National accounts aggregates

	Gross domestic product										Implied gross domestic product deflators based on expenditure data	
	At current prices				At 1985 prices							
	At market prices		At factor cost			At factor cost				Gross national disposable income: average estimate at 1985 market prices[3] (1985=100)		
	Average estimate (£ mn)	Average estimate[1] (1985=100)	Expenditure-based estimate (£ mn)	Income-based estimate (£ mn)	Average estimate at market prices (1985=100)	Average estimate (1985=100)	Expenditure-based estimate (1985=100)	Income-based estimate[2] (1985=100)	Output-based estimate (1985=100)		At market prices (1985=100)	At factor cost[4] (1985=100)
	CAOB	DJCL	DJAE	DJAL	FNAO	DJDD	DJDE	DIAR	DSAE	DJCR	DJDT	DJCM
1980	231 272	65.1	201 276	199 757	90.8	90.7	91.0	90.4	90.3	89.8	71.7	72.3
1981	254 294	71.6	219 558	217 587	89.6	89.7	90.2	89.4	89.0	89.5	79.8	79.5
1982	278 408	78.4	238 115	237 547	91.2	91.3	91.4	91.2	91.0	91.1	85.9	85.2
1983	303 634	85.5	261 094	260 658	94.4	94.6	94.8	94.7	94.0	94.9	90.5	90.0
1984	324 443	91.3	279 112	278 457	96.5	96.2	96.1	95.9	96.6	97.1	94.7	94.9
1985	355 317	100.0	305 889	305 854	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	380 928†	107.2	324 334†	325 025†	103.6	103.3	103.3†	103.6†	103.0†	103.4†	103.5	102.6
1987	418 610	117.8	356 202	354 905	108.4†	107.9†	108.0	107.6	108.0	107.7	108.6†	107.8
1988	465 895	131.1†	394 621	397 057	113.4	112.8	112.4	113.1	113.0	113.4	115.7	114.8†
1989	508 859	143.2	431 701	434 363	116.0	115.4	114.7	115.4	116.0	115.9	123.5	123.1
			DJBA	DJBE								
1985 Q1	86 192†	97.0	74 519†	74 452	98.9	98.7	98.6†	98.6	98.8	98.7	98.1	98.8
Q2	88 470	99.6	76 406	76 370	100.2	100.4	100.4	100.4	100.5	100.2†	99.4	99.5
Q3	89 632	100.9	76 886	76 901	100.3	100.2	100.2	100.3	100.2	100.3	100.6†	100.3
Q4	91 023	102.5†	78 078	78 131	100.6	100.7	100.7	100.8	100.6	100.7	101.8	101.4
1986 Q1	92 767	104.4	79 379	79 580†	102.0†	101.7†	101.7	102.0†	101.4†	102.7	102.4	102.1
Q2	94 041	105.9	80 041	80 246	102.8	102.7	102.7	103.0	102.4	102.5	103.0	101.9†
Q3	95 958	108.0	81 544	81 723	104.2	103.8	103.9	104.1	103.6	103.6	103.7	102.7
Q4	98 162	110.5	83 370	83 476	105.3	104.9	105.0	105.1	104.7	104.7	104.9	103.8
1987 Q1	100 019	112.6	85 326	84 995	106.0	105.4	105.6	105.2	105.5	105.2	106.2	105.6
Q2	102 876	115.8	87 616	87 230	107.4	107.1	107.2	106.8	107.2	106.7	107.9	106.8
Q3	106 376	119.8	90 333	89 980	109.6	108.9	109.0	108.6	109.1	109.0	109.3	108.4
Q4	109 339	123.1	92 927	92 700	110.8	110.1	110.1	109.9	110.3	110.1	111.1	110.3
1988 Q1	111 760	125.8	95 013	95 388	111.9	111.5	111.2	111.6	111.6	111.0	112.5	111.8
Q2	114 353	128.7	96 579	97 140	112.6	112.1	111.7	112.4	112.3	112.3	114.3	113.0
Q3	118 243	133.1	100 009	100 713	114.0	113.6	113.1	113.9	113.8	115.2	116.7	115.7
Q4	121 539	136.8	103 020	103 816	114.9	114.0	113.4	114.3	114.3	115.1	119.1	118.8
1989 Q1	123 953	139.5	105 393	106 041	115.1	114.9	114.2	115.0	115.4	116.7	121.2	120.6
Q2	126 105	142.0	106 842	107 497	115.4	114.7	114.1	114.8	115.3	116.2	123.0	122.5
Q3	127 886	144.0	108 363	109 037	116.2	115.5	114.8	115.6	116.2	115.3	123.9	123.4
Q4	130 915	147.4	111 103	111 788	117.1	116.3	115.6	116.3	117.0	115.6	125.8	125.7
Percentage change, quarter on corresponding quarter of previous year[5]												
1985 Q1	*8.3*	*8.3*	*8.8*	*9.8*	*2.6*	*2.2*	*2.3*	*3.2*	*1.3*	*1.4*	*5.6*	*6.4*
Q2	*10.6*	*10.6*	*11.4*	*11.7*	*4.6*	*5.4*	*5.7*	*6.0*	*4.8*	*4.3*	*5.7*	*5.4*
Q3	*10.1*	*10.1*	*10.1*	*9.4*	*4.0*	*4.2*	*4.5*	*3.8*	*4.5*	*4.2*	*5.8*	*5.4*
Q4	*9.1*	*9.1*	*8.2†*	*8.5*	*3.5*	*3.8*	*3.7†*	*4.0*	*3.8*	*2.3*	*5.4*	*4.3*
1986 Q1	*7.6*	*7.6*	*6.5*	*6.9†*	*3.1†*	*3.1†*	*3.1*	*3.5†*	*2.7*	*4.1†*	*4.4†*	*3.3*
Q2	*6.3†*	*6.3†*	*4.8*	*5.1*	*2.6*	*2.3*	*2.3*	*2.6*	*2.0†*	*2.2*	*3.6*	*2.4†*
Q3	*7.1*	*7.1*	*6.1*	*6.3*	*3.9*	*3.6*	*3.6*	*3.8*	*3.4*	*3.2*	*3.1*	*2.4*
Q4	*7.8*	*7.8*	*6.8*	*6.8*	*4.7*	*4.2*	*4.3*	*4.3*	*4.1*	*3.9*	*3.0*	*2.4*
1987 Q1	*7.8*	*7.8*	*7.5*	*6.8*	*3.9*	*3.7*	*3.8*	*3.2*	*4.0*	*2.4*	*3.7*	*3.5*
Q2	*9.4*	*9.4*	*9.5*	*8.7*	*4.5*	*4.2*	*4.4*	*3.6*	*4.6*	*4.1*	*4.7*	*4.9*
Q3	*10.9*	*10.9*	*10.8*	*10.1*	*5.2*	*4.9*	*5.0*	*4.3*	*5.3*	*5.2*	*5.4*	*5.5*
Q4	*11.4*	*11.4*	*11.5*	*11.0*	*5.2*	*4.9*	*4.9*	*4.5*	*5.4*	*5.1*	*5.9*	*6.3*
1988 Q1	*11.7*	*11.7*	*11.4*	*12.2*	*5.5*	*5.7*	*5.3*	*6.1*	*5.8*	*5.5*	*5.9*	*5.8*
Q2	*11.2*	*11.2*	*10.2*	*11.4*	*4.9*	*4.7*	*4.2*	*5.3*	*4.8*	*5.3*	*6.0*	*5.8*
Q3	*11.2*	*11.2*	*10.7*	*11.9*	*4.1*	*4.3*	*3.7*	*4.9*	*4.3*	*5.7*	*6.8*	*6.7*
Q4	*11.2*	*11.2*	*10.9*	*12.0*	*3.7*	*3.6*	*3.0*	*4.1*	*3.6*	*4.5*	*7.2*	*7.6*
1989 Q1	*10.9*	*10.9*	*10.9*	*11.2*	*2.9*	*3.0*	*2.8*	*3.0*	*3.4*	*5.1*	*7.7*	*7.9*
Q2	*10.3*	*10.3*	*10.6*	*10.7*	*2.5*	*2.3*	*2.1*	*2.1*	*2.7*	*3.4*	*7.6*	*8.4*
Q3	*8.2*	*8.2*	*8.4*	*8.3*	*1.9*	*1.7*	*1.6*	*1.5*	*2.1*	*0.1*	*6.1*	*6.7*
Q4	*7.7*	*7.7*	*7.8*	*7.7*	*2.0*	*2.0*	*1.9*	*1.8*	*2.3*	*0.5*	*5.6*	*5.8*

1 "Money GDP".
2 Income data deflated by the implied GDP deflator at factor cost based on expenditure data.
3 Also known as Real national disposable income (RNDI).
4 Also known as the Index of total home costs.
5 These estimates of change are based in some cases on less rounded figures than in the table.

Source: Central Statistical Office


Gross domestic product (average measure)
1985 = 100 log scale
160
150
140
130
120
110
100
90
80
GDP at current market prices
GDP at constant factor cost
Real national disposable income
1984
1985
1986
1987
1988
1989


Gross domestic product (average measure) and real national disposable income
Percentage change on year earlier
15
10
5
0
GDP at current market prices
GDP at constant factor cost
Real national disposable income
1984
1985
1986
1987
1988
1989

3 Gross domestic product: by category of expenditure[1]

£ million, 1985 prices

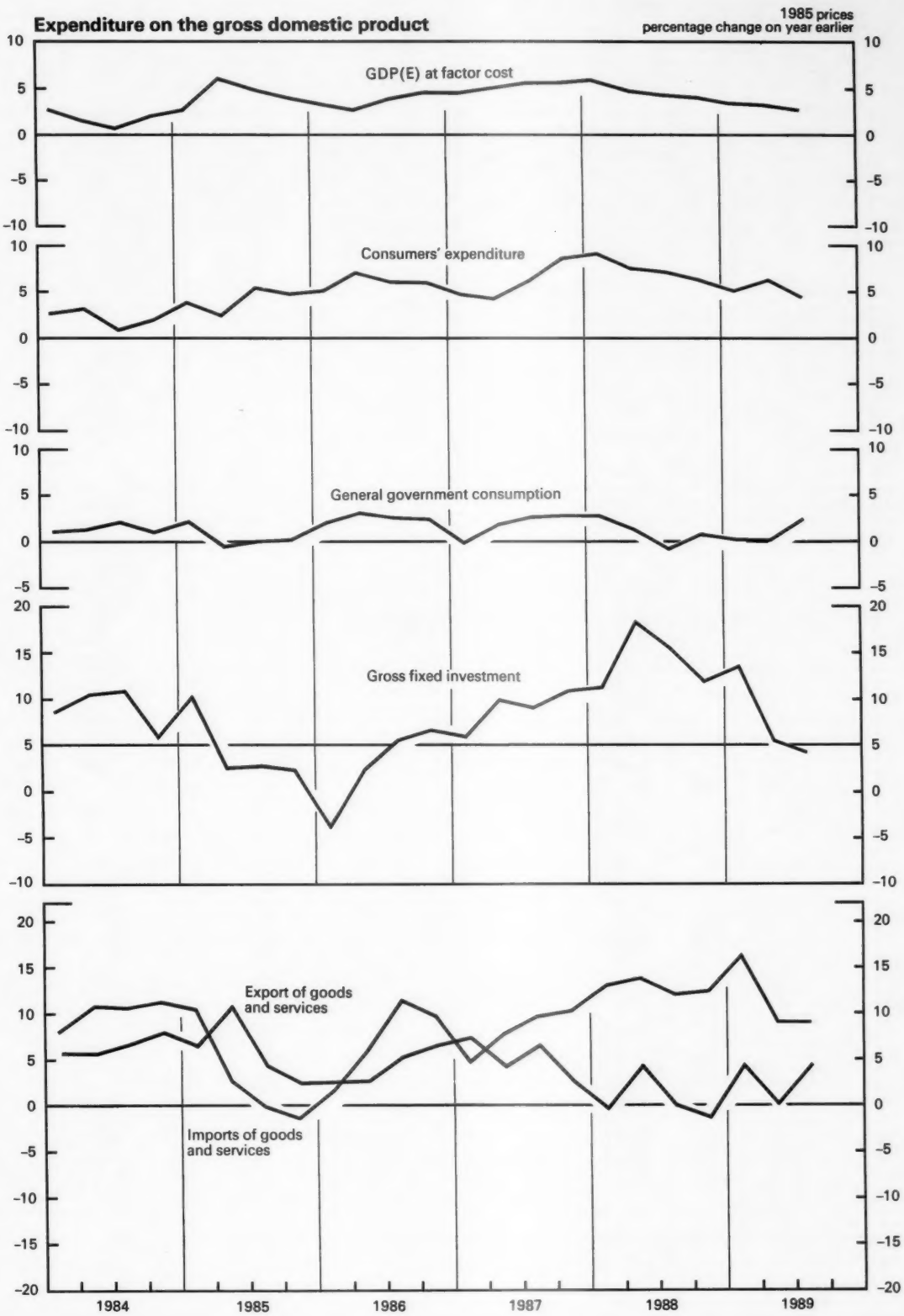
	Domestic expenditure on goods and services at market prices														
		General government final consumption													
	Consumers' expenditure	Central government	Local authorities	Total	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress[2]	Total	Exports of goods and services	Total final expenditure	*less* Imports of goods and services	Gross domestic product (expenditure based) at market prices	*less* Factor cost adjustment	Gross domestic product (expenditure based) at factor cost	Statistical discrepancy (expenditure adjustment)	Gross domestic product (average estimate) at factor cost[3]
	CCBH	DJDK	DJDL	DJCZ	DFDM	DHBK	DIEL	DJCV	DJDA	DJCY	DJCX	DJCU	DJCW	GIXS	CAOP
1980	195 060	43 690	27 272	70 984	53 416	-3 371	315 944	88 966	404 872	81 134	323 721	45 305	278 458	-1 050	277 408
1981	195 173	44 108	27 074	71 184	48 298	-3 200	310 888	88 307	399 148	78 878	320 247	44 246	276 007	-1 710	274 297
1982	197 051	44 421	27 318	71 762	50 915	-1 281	318 186	89 048	407 203	82 721	324 471	44 895	279 587	-426	279 161
1983	205 484	45 281	27 912	73 193	53 476	1 357	333 510	90 971	424 481	88 116	336 365	46 355	290 010	-770	289 240
1984	209 207	45 741	28 161	73 902	58 058	1 112	342 279	96 892	439 171	96 735	342 436	48 377	294 059	289	294 348
1985	217 023	45 879	28 000	73 879	60 343	615	351 860	102 639	454 499	99 165	355 334	49 445	305 889	-17	305 872
1986	229 447†	46 729†	28 568	75 297†	61 581†	752†	367 077†	106 907†	473 984†	105 885	368 099†	52 040†	316 059†	-76†	315 983†
1987	243 121	46 833	29 273	76 106	66 890	1 178	387 295	112 372	499 667	113 965	385 702	55 354	330 348	-384	329 964
1988	260 159	46 905	29 514	76 419	76 042	3 916	416 536	113 142	529 678	128 269†	401 409	57 740	343 669	1 359	345 028
1989	269 986	47 336	29 469†	76 805	79 702	3 215	429 708	117 776	547 484	137 394	410 090	59 267	350 823	2 010	352 833
	CAAB	DIAV	DIAW	DIAT	DECU	DGBA	DIAY	DJDG	DIAU	DJDJ	DJDI	DIAS	DJDH		
1984 Q2	52 477	11 541	7 000	18 541	14 390	-156	85 252	23 697	108 949	24 059	84 890	12 236	72 654	169	72 823
Q3	52 100	11 452	7 069	18 521	14 572	170	85 363	24 496	109 859	24 378	85 481	12 085	73 396	150	73 546
Q4	52 786	11 529	6 987	18 516	14 709	736	86 747	24 937	111 684	25 256	86 428	12 190	74 238	-79	74 159
1985 Q1	53 614	11 676	6 954	18 630	15 816	-156†	87 904†	25 299	113 203†	25 342	87 861†	12 428	75 433†	22†	75 455†
Q2	53 635	11 337	6 995	18 332	14 672	779	87 418	26 239	113 657	24 662	88 995	12 199	76 796	-6	76 790
Q3	54 643	11 455	6 978	18 433	14 878	-112	87 842	25 545	113 387	24 315	89 072	12 409	76 663	-16	76 647
Q4	55 131	11 411	7 073	18 484	14 977	104	88 696	25 556	114 252	24 846	89 406	12 409	76 997	-17	76 980
1986 Q1	56 190†	11 802	7 088	18 890	14 966†	-179	89 867	26 146†	116 013	25 393†	90 620	12 838†	77 782	-5	77 777
Q2	57 398	11 649	7 122	18 771	14 910	-171	90 908	26 692	117 600	26 274	91 326	12 752	78 574	-12	78 562
Q3	57 658	11 640†	7 159	18 799†	15 668	564	92 689	26 762	119 451	26 911	92 540	13 117	79 423	-22	79 401
Q4	58 201	11 638	7 199	18 837	16 037	538	93 613	27 307	120 920	27 307	93 613	13 333	80 280	-37	80 243
1987 Q1	58 965	11 473	7 257	18 730	16 024	-500	93 219	27 911	121 130	26 814	94 316	13 553	80 763	-140	80 623
Q2	59 940	11 681	7 293	18 974	16 357	412	95 683	27 778	123 461	27 944	95 517	13 515	82 002	-132	81 870
Q3	61 371	11 839	7 343	19 182	16 885	722	98 160	28 584	126 744	29 301	97 443	14 079	83 364	-93	83 271
Q4	62 845	11 840	7 380	19 220	17 624	544	100 233	28 099	128 332	29 906	98 426	14 207	84 219	-19	84 200
1988 Q1	64 035	11 736	7 421	19 157	17 723	741	101 656	27 752	129 408	30 257	99 151	14 130	85 021	217	85 238
Q2	64 218	11 746	7 365	19 111	19 048	39	102 416	28 986	131 402	31 655	99 747	14 308	85 439	311	85 750
Q3	65 428	11 542	7 391	18 933	19 576	1 282	105 219	28 548	133 767	32 845	100 922	14 464	86 458	387	86 845
Q4	66 478	11 881	7 337	19 218	19 695	1 854	107 245	27 856	135 101	33 512	101 589	14 838	86 751	444	87 195
1989 Q1	67 047	11 713	7 386	19 099	19 733	1 829	107 708	28 824	136 532	34 716	101 816	14 449	87 367	465	87 832
Q2	67 571	11 776	7 279†	19 055	19 804	942	107 372	28 897	136 269	34 216	102 053	14 833	87 220	493	87 713
Q3	67 258	11 933	7 371	19 304	20 130	1 086	107 778	29 474	137 252	34 531	102 721	14 898	87 823	522	88 345
Q4	68 110	11 914	7 433	19 347	20 035	-642	106 850	30 581	137 431	33 931	103 500	15 087	88 413	530	88 943
Percentage change, quarter on corresponding quarter of previous year															
1984 Q2	*2.9*	*1.1*	*0.5*	*0.9*	*10.1*		*3.0*	*5.6*	*3.6*	*10.3*	*1.8*	*6.2*	*1.1*		*1.0*
Q3	*0.4*	*1.5*	*1.7*	*1.6*	*10.6*		*1.7*	*6.7*	*2.8*	*10.1*	*0.9*	*4.4*	*0.3*		*1.1*
Q4	*1.7*	*1.7*	*-0.9*	*0.7*	*5.6*		*2.7*	*7.9*	*3.8*	*10.9*	*1.9*	*3.5*	*1.7*		*1.4*
1985 Q1	*3.4*	*4.1*	*-2.1*	*1.7*	*9.9*		*3.5*	*6.5*	*4.2*	*10.0*	*2.6*	*4.7*	*2.3*		*2.2*
Q2	*2.2*	*-1.8*	*-0.1*	*-1.1*	*2.0*		*2.5*	*10.7*	*4.3*	*2.5*	*4.8*	*-0.3*	*5.7*		*5.4*
Q3	*4.9*	-	*-1.3*	*-0.5*	*2.1*		*2.9*	*4.3*	*3.2*	*-0.3*	*4.2*	*2.7*	*4.5*		*4.2*
Q4	*4.4*	*-1.0*	*1.2*	*-0.2*	*1.8*		*2.2†*	*2.5*	*2.3*	*-1.6*	*3.4†*	*1.8*	*3.7†*		*3.8*
1986 Q1	*4.8†*	*1.1*	*1.9*	*1.4*	*-5.4†*		*2.2*	*3.3†*	*2.5*	*0.2†*	*3.1*	*3.3†*	*3.1*		*3.1†*
Q2	*7.0*	*2.8*	*1.8*	*2.4*	*1.6*		*4.0*	*1.7*	*3.5†*	*6.5*	*2.6*	*4.5*	*2.3*		*2.3*
Q3	*5.5*	*1.6*	*2.6*	*2.0*	*5.3*		*5.5*	*4.8*	*5.3*	*10.7*	*3.9*	*5.7*	*3.6*		*3.6*
Q4	*5.6*	*2.0*	*1.8*	*1.9*	*7.1*		*5.5*	*6.9*	*5.8*	*9.9*	*4.7*	*7.4*	*4.3*		*4.2*
1987 Q1	*4.9*	*-2.8*	*2.4*	*-0.8*	*7.1*		*3.7*	*6.8*	*4.4*	*5.6*	*4.1*	*5.6*	*3.8*		*3.7*
Q2	*4.4*	*0.3*	*2.4*	*1.1*	*9.7*		*5.3*	*4.1*	*5.0*	*6.4*	*4.6*	*6.0*	*4.4*		*4.2*
Q3	*6.4*	*1.7*	*2.6*	*2.0*	*7.8*		*5.9*	*6.8*	*6.1*	*8.9*	*5.3*	*7.3*	*5.0*		*4.9*
Q4	*8.0*	*1.7†*	*2.5*	*2.0*	*9.9*		*7.1*	*2.9*	*6.1*	*9.5*	*5.1*	*6.6*	*4.9*		*4.9*
1988 Q1	*8.6*	*2.3*	*2.3*	*2.3*	*10.6*		*9.1*	*-0.6*	*6.8*	*12.8*	*5.1*	*4.3*	*5.3*		*5.7*
Q2	*7.1*	*0.6*	*1.0*	*0.7*	*16.5*		*7.0*	*4.3*	*6.4*	*13.3*	*4.4*	*5.9*	*4.2*		*4.7*
Q3	*6.6*	*-2.5*	*0.7*	*-1.3*	*15.9*		*7.2*	*-0.1*	*5.5*	*12.1*	*3.6*	*2.7*	*3.7*		*4.3*
Q4	*5.8*	*0.3*	*-0.6*	-	*11.8*		*7.0*	*-0.9*	*5.3*	*12.1*	*3.2*	*4.4*	*3.0*		*3.6*
1989 Q1	*4.7*	*-0.2*	*-0.5*	*-0.3*	*11.3*		*6.0*	*3.9*	*5.5*	*14.7*	*2.7*	*2.3*	*2.8*		*3.0*
Q2	*5.2*	*0.3*	*-1.2†*	*-0.3†*	*4.0*		*4.8*	*-0.3*	*3.7*	*8.1*	*2.3*	*3.7*	*2.1*		*2.3*
Q3	*2.8*	*3.4*	*-0.3*	*2.0*	*2.8*		*2.4*	*3.2*	*2.6*	*5.1*	*1.8*	*3.0*	*1.6*		*1.7*
Q4	*2.5*	*0.3*	*1.3*	*0.7*	*1.7*		*-0.4*	*9.8*	*1.7*	*1.3*	*1.9*	*1.7*	*1.9*		*2.0*

1 For years up to and including 1982, totals differ from the sum of the components because of the method used to rebase on 1985 prices.

2 Includes quarterly national accounts statistical adjustment. For explanation see CSO GDP Press Release of 16 March 1990, Notes to Editors.

3 Average estimates are made in seasonally adjusted form only. No equivalent unadjusted estimates exist.

Source: Central Statistical Office


Expenditure on the gross domestic product
1985 prices
percentage change on year earlier
GDP(E) at factor cost
Consumers' expenditure
General government consumption
Gross fixed investment
Export of goods and services
Imports of goods and services
10
5
0
-5
-10
20
15
-15
-20
1984
1985
1986
1987
1988
1989

4 Personal disposable income and consumption

	£ million, current prices					£ million, 1985 prices		
	Personal income before tax							
	Total[1]	of which: Wages, salaries and forces' pay	Total personal disposable income[2]	Consumers' expenditure	Personal saving ratio[3] (percentage)+	Real personal disposable income[4] +	Real consumers' expenditure	Real personal disposable income at 1985 prices (1985=100)
	AIIQ	AIJB	AIIW	AIIX	AIIZ	CFAH	CAAB	CFAF
1986	329 742†	183 131†	260 884†	239 535†	*8.2*	249 897†	229 447†	104.0
1987	354 437	198 525	280 071	264 120	*5.7*	257 804	243 121	107.4
1988	391 894	221 178	308 765	296 165	*4.1*†	271 227	260 159	113.1†
1989	431 230	246 028	341 470	324 348	*5.0*	284 238	269 986	118.5
1986 Q1	79 638†	44 430†	62 803†	57 840†	*7.9*	61 011†	56 190†	101.8†
Q2	82 216	45 499	65 318	59 538	*8.8*	62 969	57 398	105.0
Q3	83 403	46 210	65 946	60 454	*8.3*	62 894	57 658	104.9
Q4	84 485	46 992	66 817	61 703	*7.7*†	63 023	58 201	105.1
1987 Q1	85 721	47 592	67 661	63 305	*6.4*	63 018	58 965	105.1
Q2	87 356	48 878	69 046	64 602	*6.4*	64 057	59 940	106.9
Q3	89 531	50 241	70 637	66 920	*5.3*	64 774	61 371	108.1
Q4	91 829	51 814	72 727	69 293	*4.7*	65 955	62 845	110.0
1988 Q1	94 872	53 282	74 469	71 215	*4.4*	66 958	64 035	111.7
Q2	95 724	54 417	75 691	72 762	*3.9*	66 801	64 218	111.4
Q3	99 094	55 889	78 112	75 119	*3.8*	68 035	65 428	113.5
Q4	102 204	57 590	80 493	77 069	*4.3*	69 433	66 478	115.8
1989 Q1	104 210	59 198	82 249	78 663	*4.4*	70 108	67 047	117.0
Q2	106 110	60 504	84 020	80 485	*4.2*	70 545	67 571	117.7
Q3	109 114	62 438	86 520	81 429	*5.9*	71 472	67 258	119.2
Q4	111 796	63 888	88 681	83 771	*5.5*	72 113	68 110	120.3

1 Before providing for depreciation and stock appreciation.
2 Before providing for depreciation, stock appreciation and additions to tax reserves.
3 Personal savings as a percentage of personal disposable income.
4 Personal disposable income revalued by the implied consumers' expenditure deflator (1985 = 100).

Source: Central Statistical Office

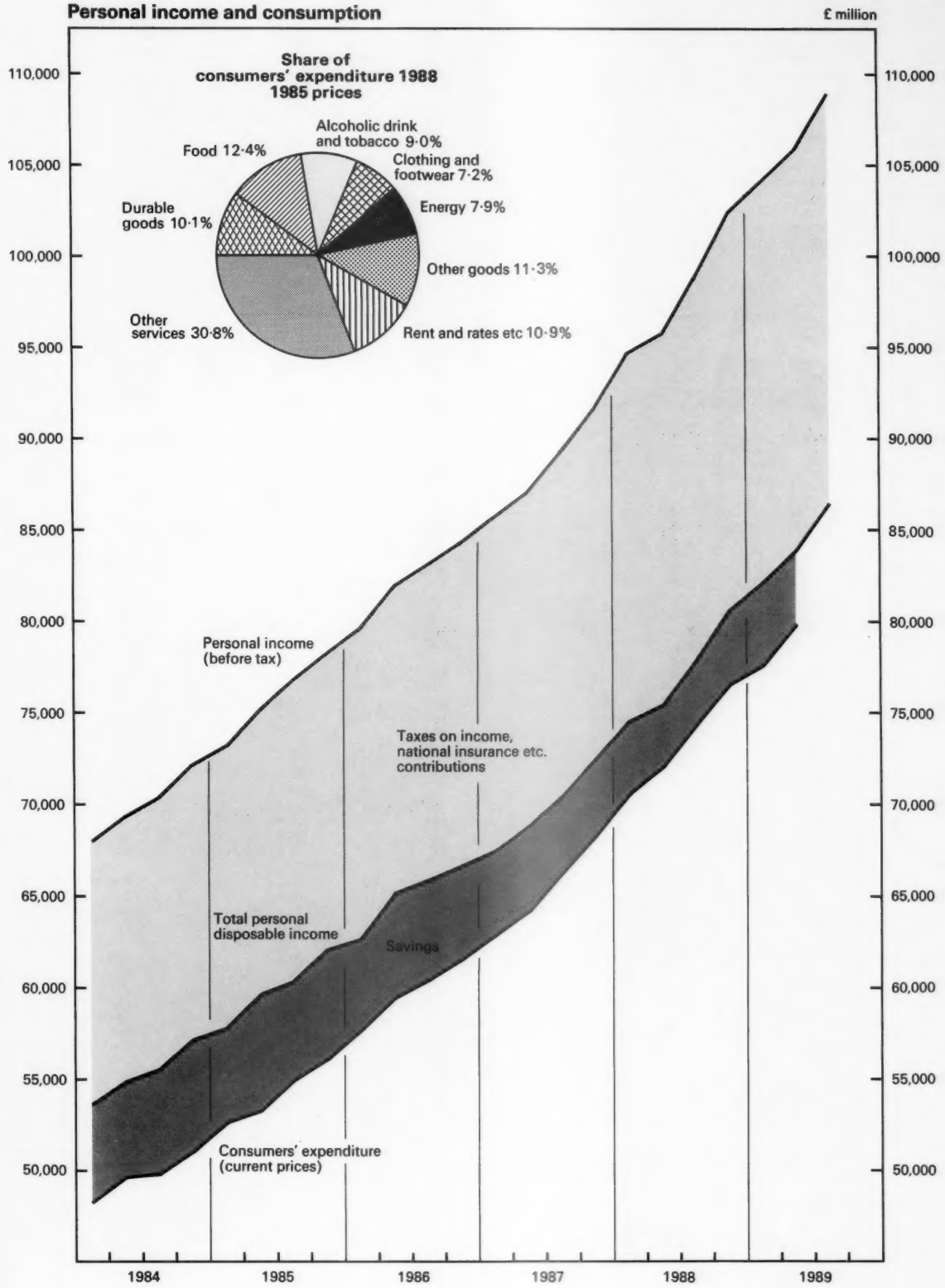
5 Real consumers' expenditure - component categories

£ million, 1985 prices

	Durable goods	Food	Alcoholic drink and tobacco	Clothing and footwear	Energy products	Other goods	Rent, rates and water charges	Other services[1]	National accounts statistical adjustment[2]	Total
	CCBW	CCCA	FCCD	FCCE	CCCG	CCCM	CCCN	CCCJ	CARU	CAAB
1986	22 105†	31 499	22 662†	16 200	19 360	24 716†	27 269	65 636†	-	229 447†
1987	23 780	31 621	22 938	17 519	19 657	26 701	27 638	72 347	920†	243 121
1988	26 229	31 911	23 356	18 483	20 314	29 117	28 037	80 082	2 630	260 159
1989	27 467	32 212†	23 382	18 269†	19 952†	30 758	28 467†	85 319	4 160	269 986
1985 Q3	5 165	7 724	5 642	3 805	4 724	5 827	6 740	15 016	-	54 643
Q4	5 139	7 731	5 710	3 821	4 692	5 892	6 763	15 383	-	55 131
1986 Q1	5 246†	7 787	5 650†	3 968	4 847	5 992†	6 784	15 916†	-	56 190†
Q2	5 609	7 921	5 670	4 027	4 891	6 115	6 805	16 360	-	57 398
Q3	5 587	7 923	5 667	4 078	4 859	6 251	6 828	16 465	-	57 658
Q4	5 663	7 868	5 675	4 127	4 763	6 358	6 852	16 895	-	58 201
1987 Q1	5 681	7 727	5 664	4 179	4 910	6 420	6 874	17 420	90†	58 965
Q2	5 808	7 798	5 736	4 316	4 808	6 629	6 896	17 759	190	59 940
Q3	6 055	8 020	5 772	4 465	4 899	6 775	6 921	18 194	270	61 371
Q4	6 236	8 076	5 766	4 559	5 040	6 877	6 947	18 974	370	62 845
1988 Q1	6 400	8 183	5 865	4 528	4 977	7 094	6 971	19 527	490	64 035
Q2	6 454	7 985	5 802	4 562	4 945	7 199	6 996	19 705	570	64 218
Q3	6 761	7 894	5 845	4 675	5 146	7 307	7 022	20 078	700	65 428
Q4	6 614	7 849	5 844	4 718	5 246	7 517	7 048	20 772	870	66 478
1989 Q1	6 944	8 103†	5 822	4 611†	4 711†	7 706	7 077	21 143	930	67 047
Q2	7 046	8 356	5 869	4 581	5 129	7 596	7 103	20 891	1 000	67 571
Q3	6 845	7 846	5 848	4 563	4 957	7 608	7 130	21 381	1 080	67 258
Q4	6 632	7 907	5 843	4 514	5 155	7 848	7 157†	21 904	1 150	68 110

1 Including the adjustments for international travel, etc. and final expenditure by private non-profit-making bodies.
2 For description of adjustment see CSO GDP Press Release of 16 March 1990, Notes to Editors.

Source: Central Statistical Office


Personal income and consumption
£ million
Share of consumers' expenditure 1988 1985 prices
Alcoholic drink and tobacco 9·0%
Food 12·4%
Clothing and footwear 7·2%
Durable goods 10·1%
Energy 7·9%
Other goods 11·3%
Other services 30·8%
Rent and rates etc 10·9%
110,000
105,000
100,000
95,000
90,000
85,000
80,000
75,000
70,000
65,000
60,000
55,000
50,000
Personal income (before tax)
Taxes on income, national insurance etc. contributions
Total personal disposable income
Savings
Consumers' expenditure (current prices)
1984
1985
1986
1987
1988
1989

6 Retail sales, new registrations of cars and credit business (Great Britain)

	Value of retail sales per week: total (average 1985=100)[4]	Volume of retail sales per week (average 1985=100)[4]						New registrations of cars+ (seasonally adjusted, thousands)[3]	Consumer credit: change in total outstanding (£ million)	Credit business: changes in amounts outstanding (£ million)[1,2]	
		Total	Food retailers	Mixed retail businesses	Clothing and footwear retailers	Household goods retailers	Other non-food retailers			Agreements with consumers	Agreements with businesses
Sales in 1985 £ million	*87 920*	*87 920*	*32 986*	*15 865*	*8 677*	*14 717*	*15 675*				
	FAAL	FAAM	FAAN	FAAO	FAAP	FAAQ	FAAR	DKBY	-AIKM	FSBN	FSBO
1985	100.0	100.0	100.0	100.0	100	100	100	153.4†	3 820	2 309	442
1986	108.8	105.3	103.4	105.0	109	111	102	156.8	4 324	2 385	822
1987	118.3	111.5	107.4	111.8†	119	121	107	168.3	6 058	3 508†	1 221
1988	130.4	119.2	112.9	118.6	127	135	114	184.1	6 279†	3 640	1 892†
1989	139.6†	121.8†	116.8†	118.2	128†	136†	118†	191.8	..	2 873	1 915
1986 Q1	105.2	102.9	102.8†	102.3†	106	104	101	153.5†	1 035	784	308
Q2	107.8	104.6	102.8	104.3	110†	111	101	157.8	1 105	330	82
Q3	110.1	106.0	103.2	106.8	110	113	103	156.6	1 431	770	223
Q4	112.3	107.6	104.9	107.0	112	117†	103	159.3	753	501	209
1987 Q1	113.5	108.0†	105.7	108.2	113	115	104	162.4	1 190	957	136
Q2	117.1	110.7	106.5	110.8	118	120	106	163.9	1 708	1 066	402
Q3	119.9	112.9	108.2	112.8	121	124	108	170.7	1 519	792	374
Q4	122.6	114.4	109.4	115.2	123	126	109	175.9	1 641	866†	309
1988 Q1	126.1	117.0	111.5	116.5	125	131	112	180.2	1 464	982	375†
Q2	129.1	118.5	112.5	117.7	127	133	114	177.9	1 573	993	414
Q3	132.1	120.2	113.4	119.4	129	138	114	195.5	2 118†	980	538
Q4	134.5	121.0	114.0	120.8	129	138	116	182.7	1 124	685	565
1989 Q1	136.2†	121.3	114.6	120.6	128	138	116	196.5	1 450	897	602
Q2	139.0	121.9	117.2	117.6	129	137	118	197.1	1 753	899	418
Q3	140.1	121.6	117.6	117.1	127	135	119	190.7	1 767	729	278
Q4	143.0	122.3	117.6	117.7	128	136	120†	182.9	..	348	617
1987 Aug	119.8	113.0†	108.2†	111.2†	123	124	109	161.0†	..	189	157
Sep	120.6*	113.4*	108.8*	113.2*	120*	126*	108*	182.6	..	307	135
Oct	121.5	114.0	109.0	115.7	124	124	108	170.8	..	424	21
Nov	122.7	114.8	109.4	116.2	123	126	109	176.9	..	329	179
Dec	123.3*	114.6*	109.6*	114.0*	123*	127*	110*	180.1	..	299	109
1988 Jan	125.6	117.1	111.8	117.3	124	129	112†	180.9	..	358†	89†
Feb	125.9	116.9	111.2	115.9	126	131	112	177.3	..	288	134
Mar	126.6*	117.0*	111.5*	116.4*	124*	132*	111*	182.5	..	336	152
Apr	127.6	118.0	112.2	117.6	125	131	115	163.4	..	296	98
May	129.5	118.7	112.6	116.8	129	134	114	189.6	..	301	153
Jun	129.9*	118.7*	112.6*	118.6*	126*	134*	113*	180.7	..	396	163
Jul	132.1	120.6	113.1	120.4	129	141	113	186.9	..	350	246
Aug	132.3	120.5	113.6	119.4	128	138	115	199.9	..	325	191
Sep	131.9*	119.6*	113.5*	118.7*	129*	135*	114*	199.8	..	305	101
Oct	134.1	121.2	114.0	121.1	129	138	116	171.3	..	167	118
Nov	134.3	121.0	113.7	121.1	130	137	117	185.1	..	272	328
Dec	135.0*	120.9*	114.2*	120.4*	129*	137*	116*	191.8	..	246	119
1989 Jan	133.7†	119.6	111.6	119.4	127	137	116	196.9	..	344	219
Feb	136.8	121.8	115.9	120.8	127	139	116	194.7	..	153	210
Mar	137.8*	122.4*	116.0*	121.3*	130*	139*	117*	197.8	..	400	173
Apr	136.9	120.9	116.6	115.9	126	138	115	194.2	..	305	226
May	141.6	124.0	117.6	120.5	137	138	120	201.4	..	425	176
Jun	138.7*	121.1*	117.4*	116.5*	126*	134*	118*	195.6	..	169	16
Jul	138.8	120.8	117.8	114.6	126	134	119	191.1	..	285	19
Aug	139.7	121.5	117.4	118.2	126	135	119	201.8	..	280	42
Sep	141.4*	122.2*	117.5*	118.2*	129*	135*	120*	179.1	..	164	217
Oct	141.8	121.8	117.6	116.2	126	137	119	182.9	..	179	371
Nov	142.0	121.6	117.2	116.5	129	135	119	180.7	..	208	97
Dec	144.9*	123.2*	118.0*	119.8*	130*	136*	122*	185.0	..	-39	149
1990 Jan	144.1	122.1	115.9	116.3	129	139	122	186.0	..	535	14

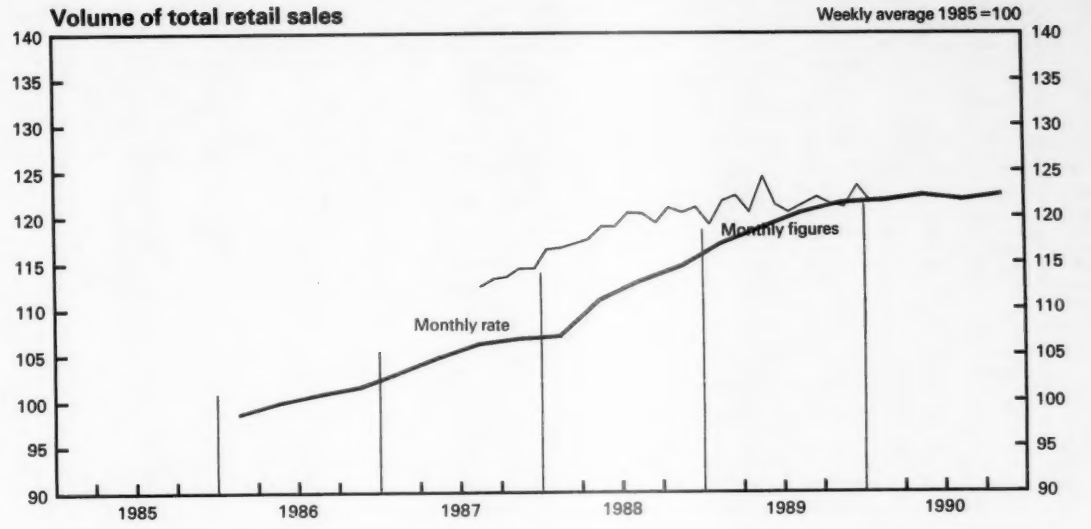
1 The series have been revised to take account of updated seasonal adjustment factors.

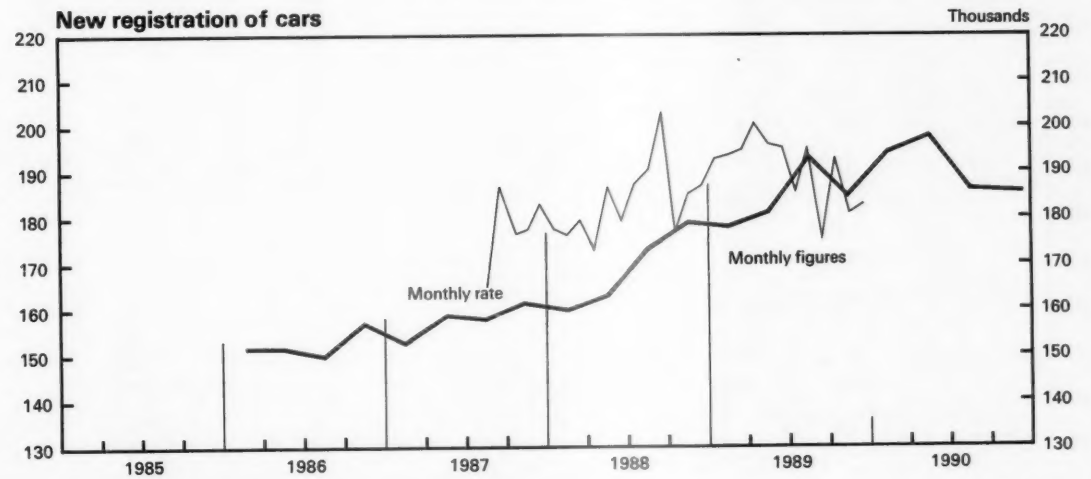
2 Changes in amounts outstanding to finance houses, other specialist credit grantors and on bank credit cards. Unsecured loans by building societies permitted under the terms of the *Building Societies Act 1986* are included from the beginning of 1987. Loans by retailers, building societies and on bank credit cards are all treated as consumer agreements. There is a break at the end of 1985. Before this, loans on bank credit cards and agreements block discounteds, with finance houses and other specialist credit grantors were excluded. Loans to consumers by finance houses and other specialist credit grantors covered agreements regulated under the *Consumer Credit Act 1974* and loans to business covered other agreements. There is a break after October 1988 in the series for consumers. This is the result of a change in recording practice relating to bank credit cards. A break occured after June 1989, in the series for consumers, when the retailers survey became a quarterly survey, hence figures from January 1988 have been adjusted to retailers. Earlier figures in the series include selected kinds of retailers.

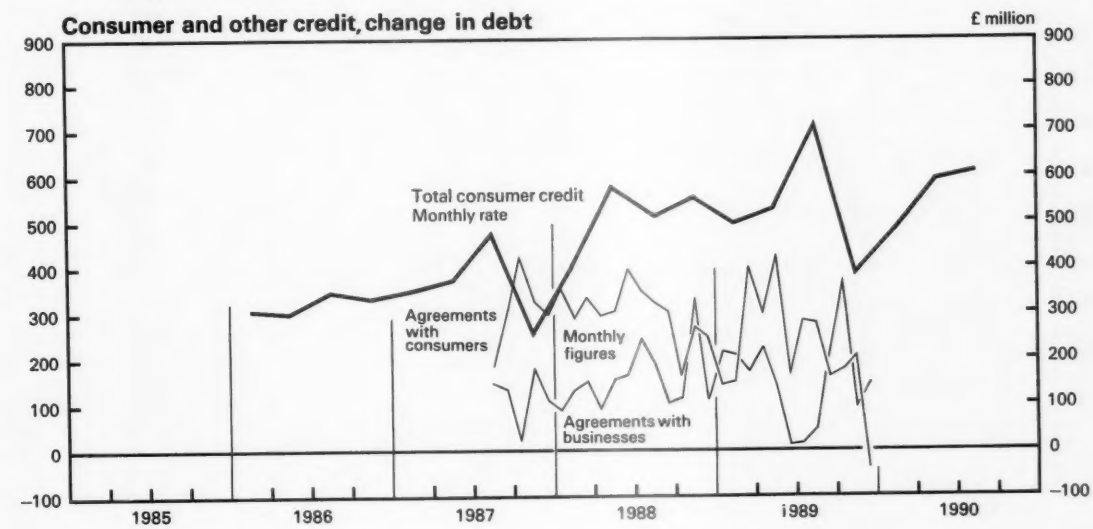
3 All seasonally adjusted figures are preliminary.

4 Minor revisions have been made to previously published figures for 1989 to bring the average of the monthly seasonally adjusted indices into line with the annual unadjusted index for each series.

Sources: Central Statistical Office; Department of Transport


Volume of total retail sales
Weekly average 1985 =100
140
135
130
125
120
115
110
105
100
95
90
Monthly figures
Monthly rate
1985
1986
1987
1988
1989
1990


New registration of cars
Thousands
220
210
200
190
180
170
160
150
140
130
Monthly figures
Monthly rate
1985
1986
1987
1988
1989
1990


Consumer and other credit, change in debt
£ million
900
800
700
600
500
400
300
200
100
0
–100
Total consumer credit
Monthly rate
Agreements with consumers
Monthly figures
Agreements with businesses
1985
1986
1987
1988
1989
1990

7 Gross domestic product and shares of income and expenditure

	Gross domestic product at current factor cost		Total final expenditure (current market prices) (£ mn)	Percentage share of total final expenditure						Percentage share of gross domestic product (income-based)				
						Gross fixed investment					Gross trading profits[1]			
	Expenditure-based (£ mn)	Income-based (£ mn)		Consumers' expenditure	General government consumption	General government	Public corporations	Private sector	Exports	Income from employment	Companies	Other[2]	Income from self-employment[1]	Other income[3]
	DJBA	DJBE	DIAB	FBBD	FBBE	FBBF	FBBG	FBBH	FBBI	FBBJ	FBBK	FBBL	FBBM	FBBN
1985	305 889	305 854	454 499	*47.8*	*16.3*	*1.5*	*1.3*	*10.5*	*22.6*	*63.7*	*16.5*	*2.3*	*9.5*	*8.0*
1986	324 334†	325 025†	482 570†	*49.7†*	*16.5*	*1.5*	*1.1*	*10.7†*	*20.4*	*64.7†*	*14.2†*	*2.5*	*10.4†*	*8.1*
1987	356 202	354 905	531 356	*49.7*	*16.1*	*1.3*	*0.8*	*11.6*	*20.1†*	*64.0*	*15.4*	*1.8*	*10.8*	*8.0*
1988	394 621	397 057	589 754	*50.2*	*15.6*	*1.0*	*0.8*	*13.1*	*18.4*	*63.6*	*16.0*	*1.8*	*10.9*	*7.8†*
1989	431 701	434 363	648 525	*50.0*	*15.2†*	*1.3†*	*0.8†*	*13.1*	*18.9*	*64.4*	*15.5*	*1.5†*	*10.9*	*7.8*
													FBBO	
1985 Q4	78 078†	78 131	114 926†	*48.8*	*16.4*	*1.5*	*1.2*	*10.4*	*21.7*	*64.0*	*15.9*	*2.3*	*17.8*	
1986 Q1	79 379	79 580†	117 245	*49.3†*	*16.8†*	*1.5*	*1.2*	*10.4†*	*21.0†*	*64.3*	*14.9*	*2.5*	*18.3*	
Q2	80 041	80 246	118 936	*50.1*	*16.6*	*1.5*	*1.1*	*10.3*	*20.4*	*65.1†*	*13.7†*	*2.7*	*18.5*	
Q3	81 544	81 723	121 406	*49.8*	*16.4*	*1.4*	*1.1*	*11.0*	*19.8*	*64.9*	*14.1*	*2.3*	*18.7*	
Q4	83 370	83 476	124 983	*49.4*	*16.2*	*1.4*	*1.1*	*11.1*	*20.4*	*64.6*	*14.3*	*2.3*	*18.8*	
1987 Q1	85 326	84 995	126 696	*50.0*	*16.2*	*1.4*	*1.0*	*11.1*	*20.8*	*64.2*	*15.1*	*1.9*	*18.9*	
Q2	87 616	87 230	130 552	*49.5*	*16.2*	*1.3*	*0.7*	*11.6*	*20.2*	*64.1*	*15.3*	*1.8*	*18.8*	
Q3	90 333	89 980	135 505	*49.4*	*16.0*	*1.2*	*0.9*	*11.6*	*20.3*	*63.8*	*15.6*	*1.9*	*18.7*	
Q4	92 927	92 700	138 603	*50.0*	*15.9*	*1.4*	*0.8*	*12.1*	*19.3*	*63.9*	*15.6*	*1.8*	*18.6*	
1988 Q1	95 013	95 388	140 854	*50.6*	*15.8*	*1.3*	*0.9*	*12.4*	*18.5*	*63.8*	*15.9*	*1.6*	*18.7*	
Q2	96 579	97 140	144 807	*50.2*	*15.6*	*1.2*	*0.9*	*13.1*	*18.9*	*64.0*	*15.3*	*1.8†*	*18.9†*	
Q3	100 009	100 713	150 165	*50.0*	*15.3*	*0.7*	*0.8*	*13.6*	*18.5*	*63.3*	*16.2*	*1.9*	*18.7*	
Q4	103 020	103 816	153 928	*50.1*	*15.5*	*0.9*	*0.8*	*13.5*	*17.8*	*63.3*	*16.6*	*1.7*	*18.5*	
1989 Q1	105 393	106 041	157 735	*49.9*	*15.1*	*1.1†*	*0.8*	*13.2*	*18.5*	*63.6*	*16.1*	*1.8*	*18.5*	
Q2	106 842	107 497	160 710	*50.1*	*15.1*	*1.3*	*0.8*	*13.1*	*18.8*	*64.0*	*15.9*	*1.4*	*18.7*	
Q3	108 363	109 037	163 598	*49.8*	*15.3*	*1.3*	*0.8†*	*13.2*	*18.9*	*65.0*	*14.7*	*1.5*	*18.8*	
Q4	111 103	111 788	166 482	*50.3*	*15.3*	*1.6*	*0.8*	*13.0*	*19.6*	*64.9*	*15.1*	*1.5*	*18.6*	

1 After providing for stock appreciation.
2 Gross trading surplus of public corporations and general government enterprises.
3 Rent income, and imputed charge for consumption of non-trading capital.

Source: Central Statistical Office

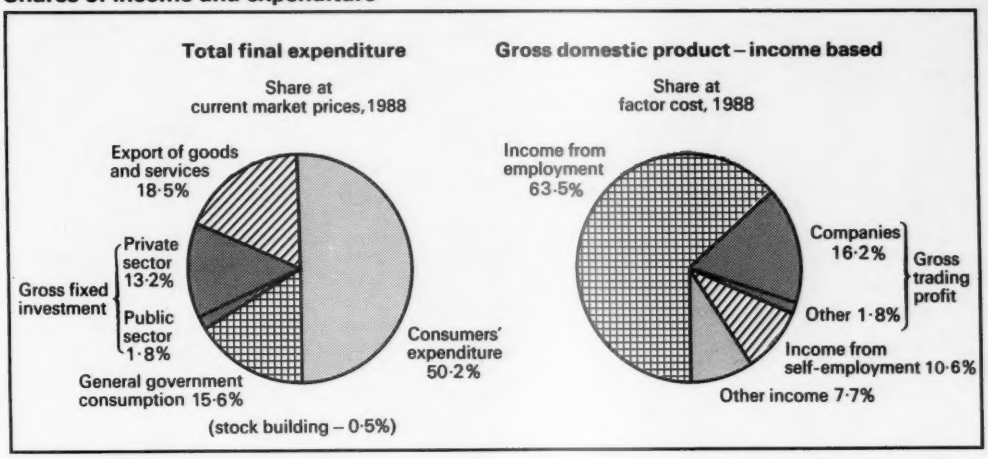
8 Income, product and spending per head

£

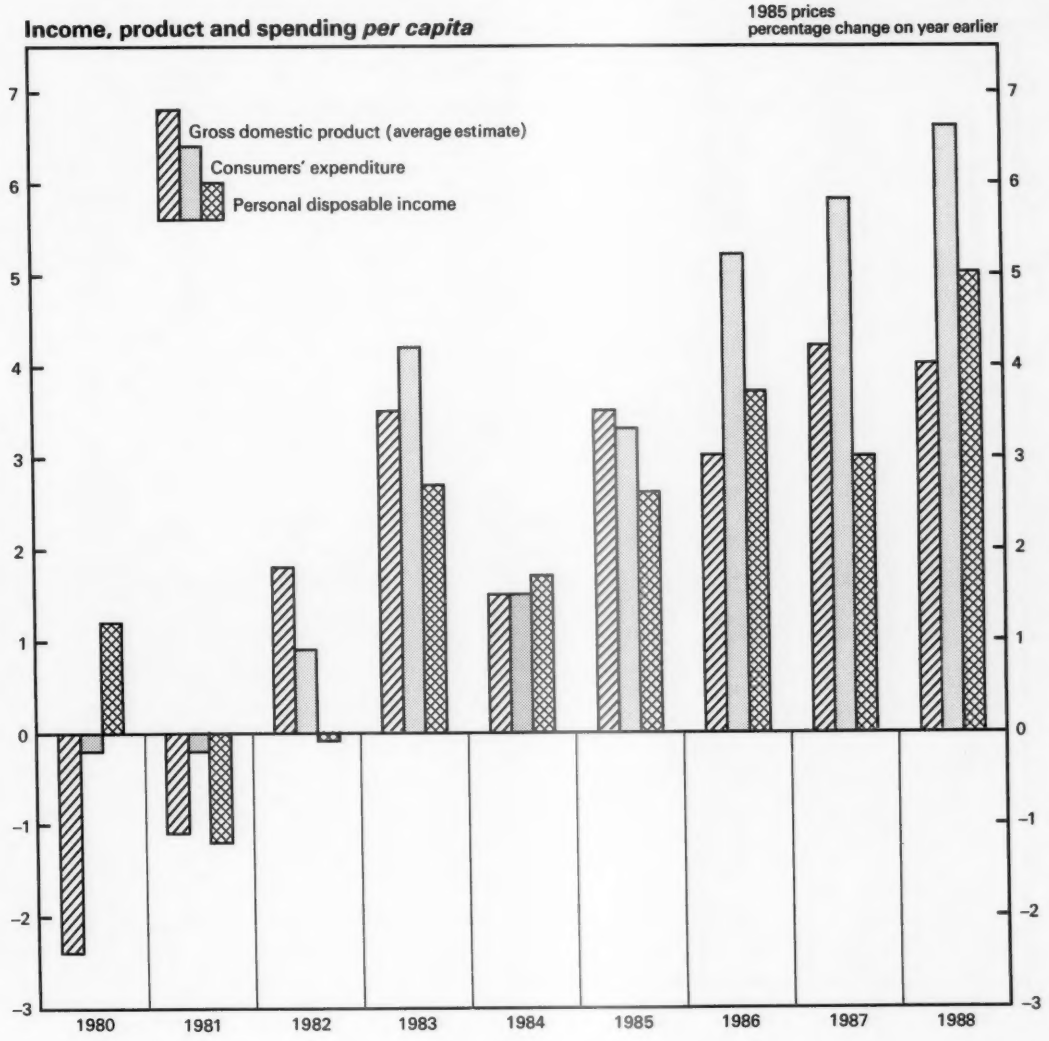
	At current prices				At 1985 prices		
	Average estimate						
	Gross national product at factor cost	Gross domestic product at factor cost	Consumers' expenditure	Personal disposable income	Gross domestic product at factor cost (average estimate)	Consumers' expenditure	Personal disposable income
	CAQA	CAQB	FBCC	FBCD	CAQC	FBCF	FBCH
1985	5 451	5 402	3 833	4 236	5 402	3 834	4 235
1986	5 804†	5 712†	4 220†	4 596†	5 567†	4 042†	4 403†
1987	6 324	6 249	4 639	4 919	5 796	4 271	4 529
1988	7 036	6 943	5 189	5 410	6 045	4 559	4 753
1989	7 641	7 587	5 669	5 968	6 166	4 718	4 968
							CAIU
1985 Q4	1 383	1 377	989	1 095	1 358	973	1 077
1986 Q1	1 419†	1 400†	1 020†	1 108†	1 372†	991†	1 076†
Q2	1 432	1 410	1 049	1 151	1 385	1 012	1 110
Q3	1 461	1 436	1 065	1 161	1 398	1 015	1 108
Q4	1 492	1 466	1 086	1 176	1 412	1 024	1 109
1987 Q1	1 519	1 498	1 113	1 190	1 418	1 037	1 108
Q2	1 556	1 537	1 135	1 213	1 438	1 053	1 126
Q3	1 603	1 584	1 175	1 240	1 462	1 078	1 137
Q4	1 646	1 630	1 216	1 276	1 478	1 103	1 157
1988 Q1	1 688	1 671	1 249	1 306	1 495	1 123	1 174
Q2	1 725	1 699	1 275	1 327	1 503	1 126	1 171
Q3	1 785	1 760	1 316	1 368	1 521	1 146	1 192
Q4	1 838	1 813	1 349	1 409	1 526	1 164	1 216
1989 Q1	1 877	1 854	1 376	1 439	1 537	1 173	1 227
Q2	1 896	1 878	1 407	1 469	1 533	1 181	1 233
Q3	1 913	1 904	1 423	1 512	1 543	1 175	1 249
Q4	1 955	1 951	1 463	1 548	1 553	1 189	1 259

Source: Central Statistical Office

Shares of income and expenditure



Income, product and spending *per capita*



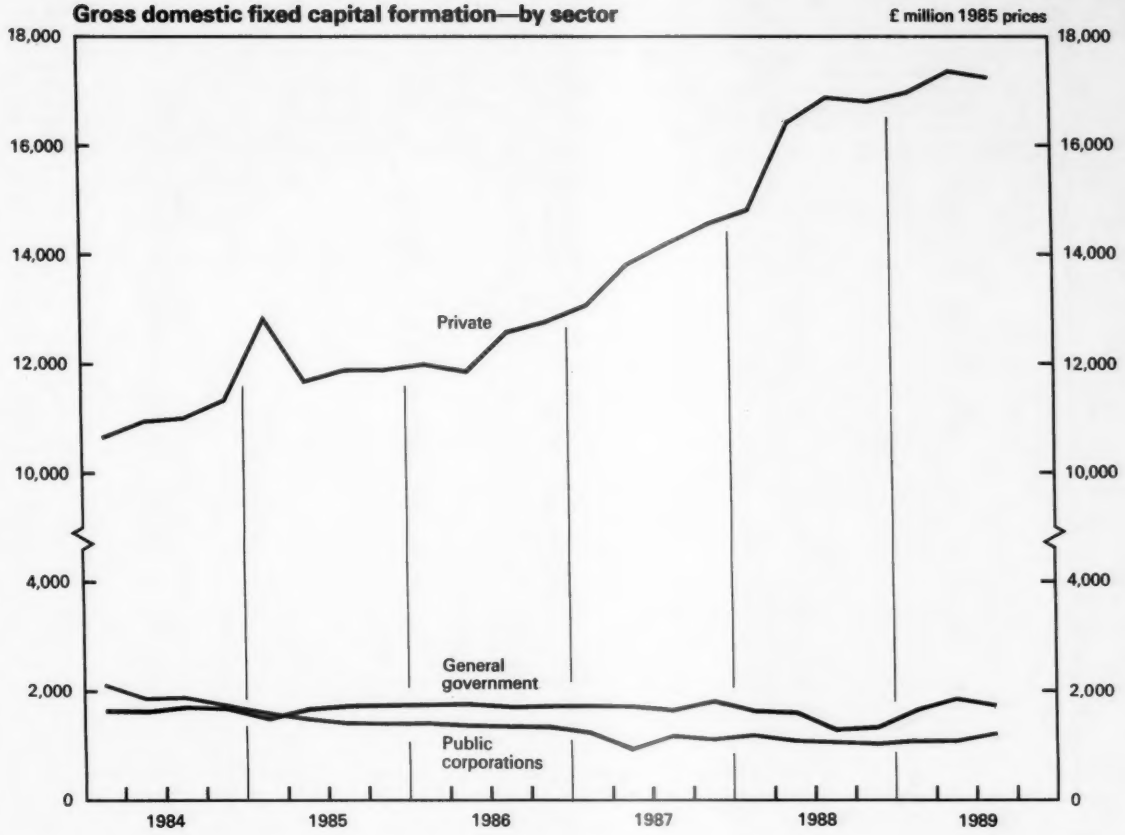
9 Gross domestic fixed capital formation

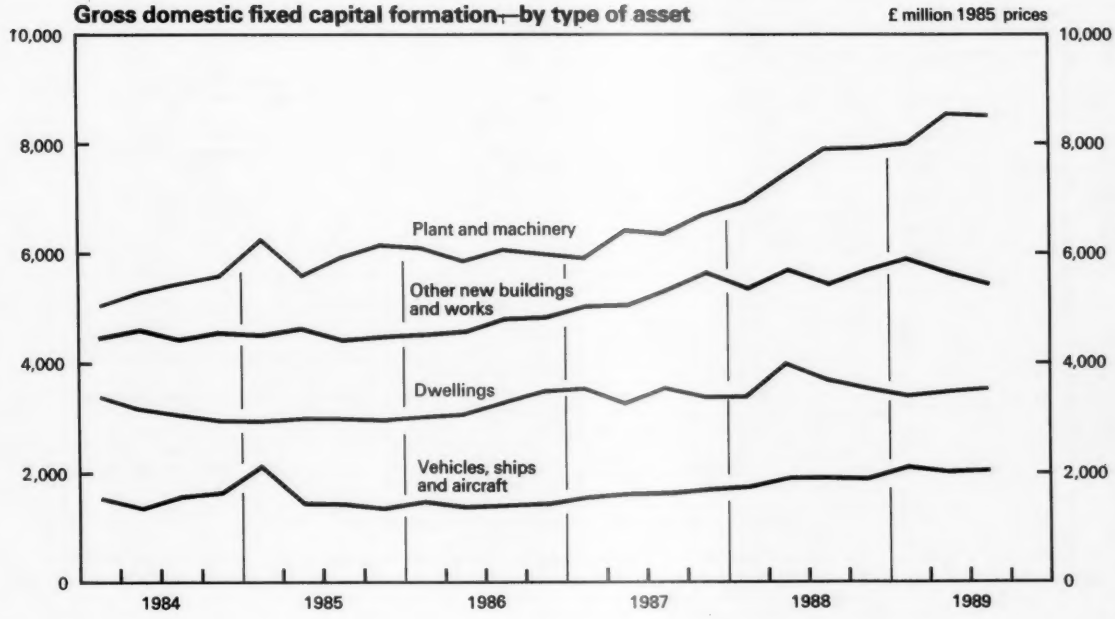
£ million, 1985 prices

	Analysed by sector[1]			Analysed by type of asset								
				Dwellings								
	Private sector	General government	Public corporations	Private	Public	Total	Other new building and works[2]	Vehicles, ships and aircraft	Plant and machinery	National accounts statistical adjustment[3]	Total gross domestic fixed capital formation
	DFEB	DFED	DFDA	DFEA	DFEC	DFEG	DFCV	DEBP	DEBO	DEGT	DECU
1983	39 085	5 901	8 490	9 323	2 924	12 247	16 651	5 177	19 401	-	53 476
1984	43 872	6 613	7 573	9 737	2 825	12 562	18 144	6 132	21 220	-	58 058
1985	47 987	6 584	5 772	9 323	2 536	11 859	18 183	6 436	23 865	-	60 343
1986	49 211†	7 049	5 321	10 270†	2 536	12 806†	18 879	5 750	24 146†	-	61 581†
1987	55 536	6 978†	4 376†	10 991	2 741	13 732	21 164†	6 518	25 476	-	66 890
1988	65 411	6 116	4 515	12 102	2 666	14 768	22 493	7 580†	30 351	850	76 042
1989	68 063	7 289	4 350	11 353	2 803†	14 156	22 368	7 815	33 363	2 000†	79 702
1984 Q1	10 664	1 637	2 086	2 661	725	3 386	4 475	1 533	4 993	-	14 387
Q2	10 913	1 605	1 872	2 452	700	3 152	4 605	1 362	5 271	-	14 390
Q3	10 990	1 707	1 875	2 362	722	3 084	4 482	1 560	5 446	-	14 572
Q4	11 305	1 664	1 740	2 262	678	2 940	4 582	1 677	5 510	-	14 709
1985 Q1	12 766	1 482	1 568	2 309	647	2 956	4 508	2 119	6 233	-	15 816
Q2	11 561	1 659	1 452	2 328	622	2 950	4 665	1 462	5 595	-	14 672
Q3	11 806	1 710	1 362	2 333	652	2 985	4 499	1 476	5 918	-	14 878
Q4	11 854	1 733	1 390	2 353	615	2 968	4 511	1 379	6 119	-	14 977
1986 Q1	11 787†	1 790	1 389	2 296†	709	3 005†	4 540†	1 411†	6 010†	-	14 966†
Q2	11 795	1 793	1 322	2 460	594	3 054	4 610	1 461	5 785	-	14 910
Q3	12 633	1 727	1 308	2 671	588	3 259	4 831	1 461	6 117	-	15 668
Q4	12 996	1 739	1 302	2 843	645	3 488	4 898	1 417	6 234	-	16 037
1987 Q1	13 061	1 736†	1 227	2 869	636	3 505	5 065	1 464	5 990	-	16 024
Q2	13 707	1 736	914	2 564	700	3 264	5 079	1 623	6 391	-	16 357
Q3	14 079	1 677	1 129	2 888	675	3 563	5 322	1 684	6 316	-	16 885
Q4	14 689	1 829	1 106†	2 670	730	3 400	5 698	1 747	6 779	-	17 624
1988 Q1	14 783	1 737	1 203	2 747	686	3 433	5 467	1 788	6 955	80	17 723
Q2	16 172	1 728	1 148	3 304	703	4 007	5 792	1 875	7 294	80	19 048
Q3	17 227	1 270	1 079	3 113	645	3 758	5 482	1 976	7 970	390	19 576
Q4	17 229	1 381	1 085	2 938	632	3 570	5 752	1 941	8 132	300	19 695
1989 Q1	16 989	1 637	1 107	2 713	677†	3 390	5 845	2 046	8 002	450†	19 733
Q2	16 960	1 775	1 069	2 813	690	3 503	5 427	1 888	8 496	490	19 804
Q3	17 199	1 800	1 131	2 934	647	3 581	5 547	1 981	8 461	560	20 130
Q4	16 915	2 077	1 043	2 893	789	3 682	5 549	1 900	8 404	500	20 035
Percentage change, quarter on corresponding quarter of previous year											
1984 Q1	*10.7*	*5.7*	*-1.2*	*15.0*	*-8.3*	*9.1*	*7.3*	*22.9*	*4.5*	..	*8.2*
Q2	*12.7*	*23.9*	*-10.5*	*7.6*	*5.7*	*7.2*	*13.9*	*6.0*	*9.7*	..	*10.1*
Q3	*14.9*	*15.3*	*-12.3*	*2.6*	*-0.1*	*2.0*	*9.6*	*25.8*	*12.9*	..	*10.6*
Q4	*10.8*	*5.4*	*-19.1*	*-6.9*	*-9.4*	*-7.5*	*5.4*	*19.4*	*10.2*	..	*5.6*
1985 Q1	*19.7*	*-9.5*	*-24.8*	*-13.2*	*-10.8*	*-12.7*	*0.7*	*38.2*	*24.8*	..	*9.9*
Q2	*5.9*	*3.4*	*-22.4*	*-5.1*	*-11.1*	*-6.4*	*1.3*	*7.3*	*6.1*	..	*2.0*
Q3	*7.4*	*0.2*	*-27.4*	*-1.2*	*-9.7*	*-3.2*	*0.4*	*-5.4*	*8.7*	..	*2.1*
Q4	*4.9*	*4.1*	*-20.1*	*4.0*	*-9.3*	*1.0*	*-1.5*	*-17.8*	*11.1*	..	*1.8*
1986 Q1	*-7.7†*	*20.8*	*-11.4*	*-0.6*	*9.6*	*1.7*	*0.7†*	*-33.4†*	*-3.6†*	..	*-5.4†*
Q2	*2.0*	*8.1*	*-9.0*	*5.7†*	*-4.5*	*3.5†*	*-1.2*	*-0.1*	*3.4*	..	*1.6*
Q3	*7.0*	*1.0*	*-4.0*	*14.5*	*-9.8*	*9.2*	*7.4*	*-1.0*	*3.4*	..	*5.3*
Q4	*9.6*	*0.3*	*-6.3*	*20.8*	*4.9*	*17.5*	*8.6*	*2.8*	*1.9*	..	*7.1*
1987 Q1	*10.8*	*-3.0†*	*-11.7*	*25.0*	*-10.3*	*16.6*	*11.6*	*3.8*	*-0.3*	..	*7.1*
Q2	*16.2*	*-3.2*	*-30.9*	*4.2*	*17.8*	*6.9*	*10.2*	*11.1*	*10.5*	..	*9.7*
Q3	*11.4*	*-2.9*	*-13.7*	*8.1*	*14.8*	*9.3*	*10.2*	*15.3*	*3.3*	..	*7.8*
Q4	*13.0*	*5.2*	*-15.1†*	*-6.1*	*13.2*	*-2.5*	*16.3*	*23.3*	*8.7*	..	*9.9*
1988 Q1	*13.2*	*0.1*	*-2.0*	*-4.3*	*7.9*	*-2.1*	*7.9*	*22.1*	*16.1*	..	*10.6*
Q2	*18.0*	*-0.5*	*25.6*	*28.9*	*0.4*	*22.8*	*14.0*	*15.5*	*14.1*	..	*16.5*
Q3	*22.4*	*-24.3*	*-4.4*	*7.8*	*-4.4*	*5.5*	*3.0*	*17.3*	*26.2*	..	*15.9*
Q4	*17.3*	*-24.5*	*-1.9*	*10.0*	*-13.4*	*5.0*	*0.9*	*11.1*	*20.0*	..	*11.8*
1989 Q1	*14.9*	*-5.8*	*-8.0*	*-1.2*	*-1.3†*	*-1.3*	*6.9*	*14.4*	*15.1*	+	*11.3*
Q2	*4.9*	*2.7*	*-6.9*	*-14.9*	*-1.8*	*-12.6*	*-6.3*	*0.7*	*16.5*	+	*4.0*
Q3	*-0.2*	*41.7*	*4.8*	*-5.8*	*0.3*	*-4.7*	*1.2*	*0.3*	*6.2*	*43.6†*	*2.8*
Q4	*-1.8*	*50.4*	*-3.9*	*-1.5*	*24.8*	*3.1*	*-3.5*	*-2.1*	*3.3*	*66.7*	*1.7*

1 Including purchases *less* sales of land and existing buildings.
2 Including transfer costs of land and buildings.
3 For explanation of adjustment see CSO GDP Press Release of 16 March 1990, Notes to Editors.

Source: Central Statistical Office


Gross domestic fixed capital formation—by sector
£ million 1985 prices
18,000
16,000
14,000
12,000
10,000
4,000
2,000
0
Private
General government
Public corporations
1984
1985
1986
1987
1988
1989


Gross domestic fixed capital formation—by type of asset
£ million 1985 prices
10,000
8,000
6,000
4,000
2,000
0
Plant and machinery
Other new buildings and works
Dwellings
Vehicles, ships and aircraft
1984
1985
1986
1987
1988
1989

10 Indicators of fixed investment by manufacturing industry

	Gross fixed investment by manufacturing industry (excluding leased assets)							
	Plant and machinery			New building and works				
	Gross fixed investment		CBI Intentions Inquiry: balance[1] (NSA)	Gross fixed investment		CBI Intentions Inquiry: balance[1] (NSA)	Total+ (£ million, 1985 prices)	New orders received by contractors for private industrial work(GB) (£ million, 1985 prices)
	Total (£ million, 1985 prices)	Change on year earlier (percentage)		Total (£ million, 1985 prices)	Change on year earlier (percentage)			
	DFQP		FBAD	DFQQ		FBAG	DECV	DPBT
1981	5 165	-25.0	..	834	-27.0	..	6 579	1 718
1982	5 062	-2.0	..	714	-14.4	..	6 360	1 455
1983	5 196	2.6	..	634	-11.2	..	6 422	1 723
1984	6 241	20.1	..	929	46.5	..	7 818	2 426
1985	7 029	12.6	..	1 110	19.5	..	8 735	2 149
1986	6 983†	-0.7	..	1 004	-9.5	..	8 548†	2 088
1987	7 477	7.1	..	1 143†	13.8†	..	9 178	3 463[2]
1988	8 252	10.4†	..	1 120	-2.0	..	10 279	2 654
1989	8 522	3.3	..	1 077	-3.8	..	10 480	2 631†
1986 Q1	1 859†	7.3†	2	227	-24.8	-16	2 231†	492
Q2	1 647	-4.7	10	195	-34.1	-15	1 985	506
Q3	1 761	2.0	5	264	3.9	-15	2 174	593
Q4	1 716	-6.8	8	318	23.3	-13	2 158	497
1987 Q1	1 722	-7.4	10	260†	14.5†	-10	2 120	637
Q2	1 817	10.3	13	308	57.9	-3	2 263	578
Q3	1 906	8.2	20	292	10.6	1	2 337	1 722[2]
Q4	2 032	18.4	17	283	-11.0	-3	2 458	526
1988 Q1	2 008	16.6	20	269	3.5	1	2 506	664
Q2	2 098	15.5	32	292	-5.2	6	2 615	626
Q3	2 124	11.4	19	284	-2.7	-6	2 636	631
Q4	2 022	-0.5	21	275	-2.8	-4	2 522	733
1989 Q1	2 030	1.1	21	258	-4.1	-9	2 512	608†
Q2	2 247	7.1	18	275	-5.8	-1	2 740	660
Q3	2 111	-0.6	3	278	-2.1	-7	2 609	714
Q4	2 134	5.5	-3	266	-3.3	-10	2 619	648
1990 Q1	..	..	-8	..	..	-23	..	..

1 Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less.
2 Includes the Channel Tunnel project.

Sources: Central Statistical Office; Confederation of British Industry; Department of the Environment

11 Central Statistical Office Inquiry into Investment Intentions: manufacturing industry[1]

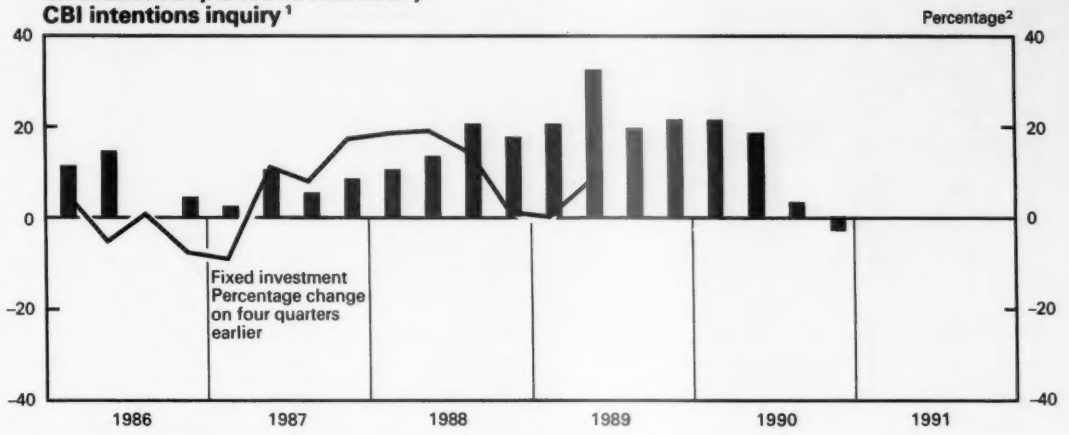
Percentage change over previous year, in volume terms

	Gross fixed investment (excluding leased assets)				
	First December forecast	First June forecast	Second December forecast	Second June forecast	Actual
1976	Further reduction	Little change		About -6	-5
1977	Large increase	Of order of +15	+10 to +15	+6 to + 10	+5
1978	Strong increase	+20 or more	+10 to +13	+10 to +13	+7
1979	Rise, less than +8	Rise, less than +8	+4 to +8	+2 to +5	+4
1980	Slight fall	Slight fall	-6 to -10	-8 to -12	-14
1981	Further fall	Fall of up to 8 to 12	-15 to -20	-15 to -18	-25
1982	Some recovery	Some recovery	-1 to -3	-3 to -5	-3
1983	Appreciable increase	Rise, around 5	Fall, up to 5	Fall, around 4	+1
1984	No recovery	Slow growth	Rise, around 10	About +12	+22
1985	Little change	Rise, around 6	About +7	Around +9	+12
1986	Slight fall	Slight fall	Rise, around 4	About +6	-2
1987	Little change	Small increase	Rise, around 3	About +6	+7
1988	Further rise	Further increase	Rise, around 12	Rise, around 15	+12
1989	Smaller increase	Smaller increase	Rise, around 11	Rise, around 14	+2
1990	Smaller increase	Smaller increase	Rise, around 1		
1991	Larger increase				

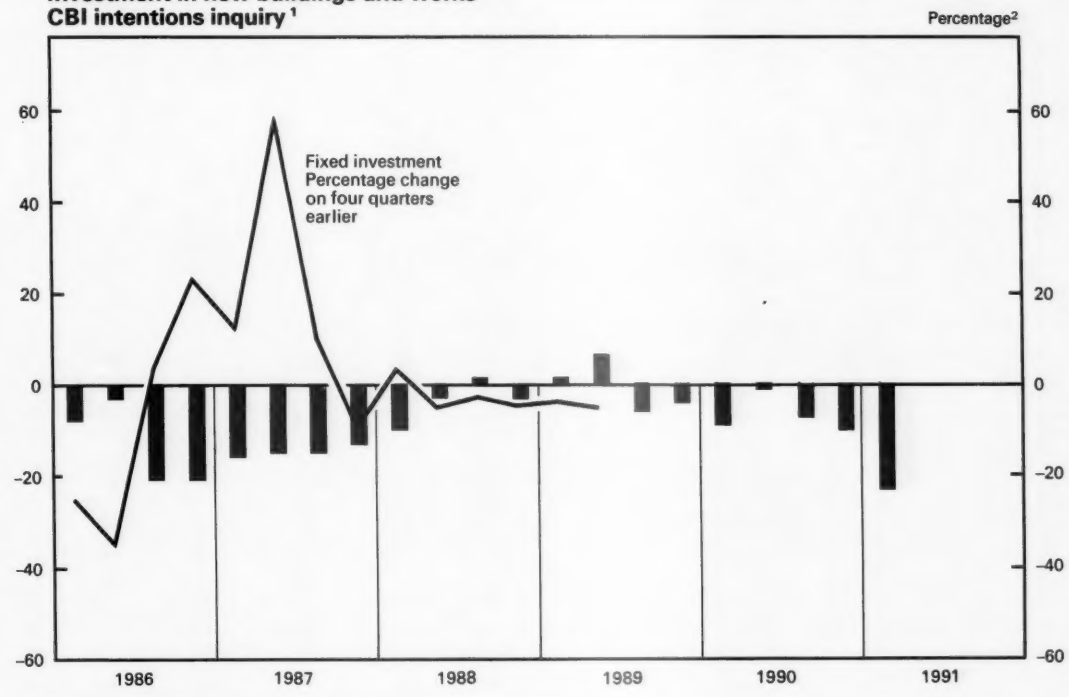
1 The figures in this table relate to manufacturing industry defined as Orders III to XIX, Standard Industrial Classification (1968) for 1983 and earlier years, and as Divisions 2 to 4, Standard Industrial Classification (1980) for 1984 onwards.

Source: Central Statistical Office

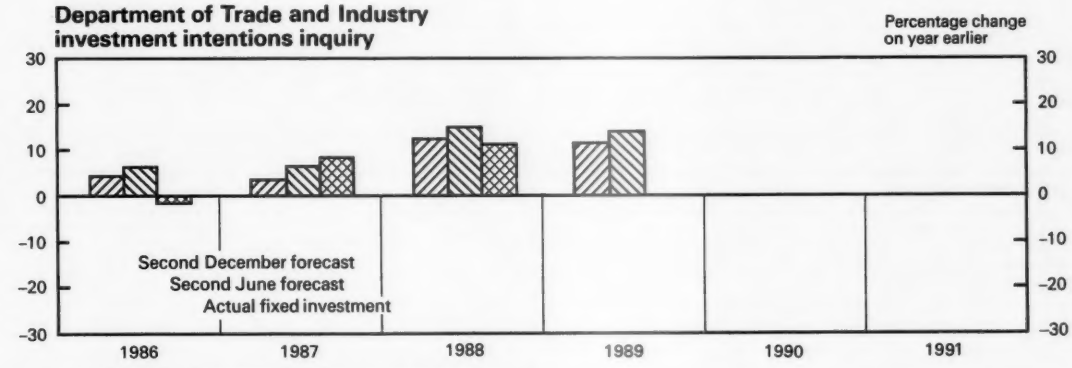
Investment in plant and machinery
CBI intentions inquiry [1]



Investment in new buildings and works
CBI intentions inquiry [1]



Department of Trade and Industry
investment intentions inquiry



[1] The results of the CBI intentions inquiry have been moved forward one year for direct comparison with the percentage change in fixed investment

[2] Percentage of firms expecting to authorise more in next 12 months *less* percentage expecting to authorise less

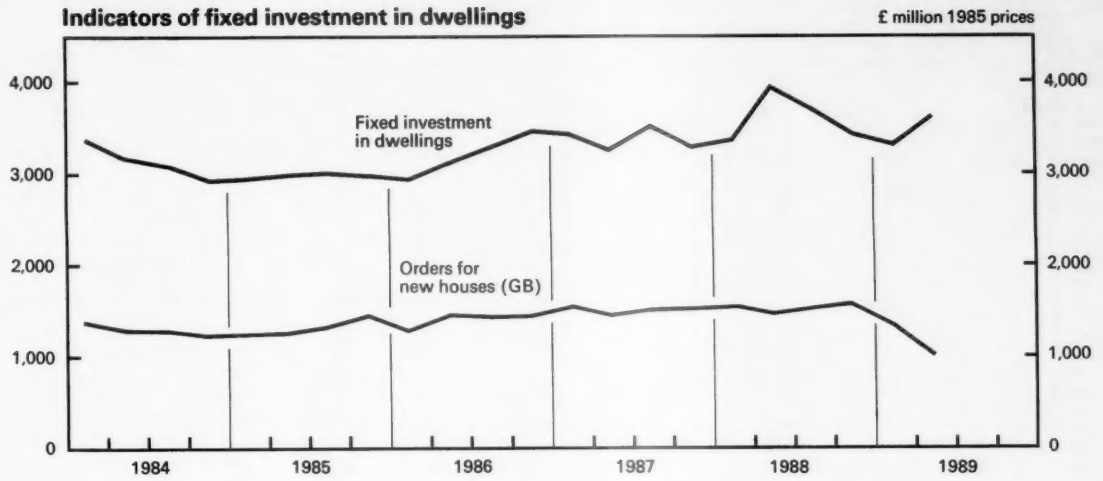
12 Indicators of fixed investment in dwellings

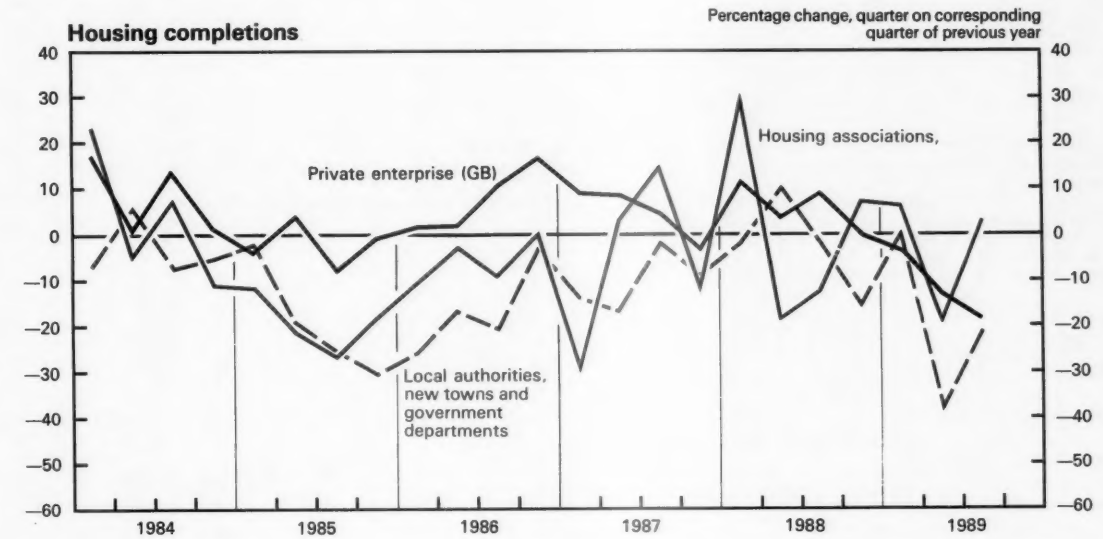
	Fixed investment in dwellings (£ million, 1985 prices)	Orders received by contractors for new houses (GB) (£ million, 1985 prices)	Housing starts (GB)+			Housing completions (GB)+			Building societies		
			Private enterprise (thousands)	Housing associations (thousands)	Local authorities new towns and government departments (thousands)	Private enterprise (thousands)	Housing associations (thousands)	Local authorities new towns and government departments (thousands)	Commitments on new dwellings (£ million, current prices)	Advances on new dwellings (£ million, current prices)	Average price of new dwellings: mortgages approved[1,2] (NSA)
	DFEG	FCAS	FCAT	CTOQ	CTOU	FCAV	CTOS	CTOW	AHLO	AHLS	FCAY
1983	12 247	4 686	172.1	14.4	34.6	147.3	16.0	35.1	2 419	2 330	31 678
1984	12 562	4 293	158.0	12.5	27.3	158.9	16.4	33.8	2 980	2 900	34 160
1985	11 859	5 290	165.5	12.4	21.9	154.9	13.2	27.2	2 963	2 900	37 304
1986	12 806†	5 642	180.0	12.8	20.1	166.7	12.4	22.4	3 626	3 517	43 647
1987	13 732	6 010	192.8	12.0	19.8	174.3	11.5	20.0	3 702	3 488	51 290
1988	14 768	6 143	216.3	12.5	16.4	184.7	11.4	19.5	4 831	4 696	64 615
1989	14 156	4 691†	164.6†	13.7†	13.6†	166.7†	11.5†	15.9†	..	..	74 967†
1984 Q3	3 084	1 299	39.1	3.3	6.4	41.4	4.2	8.6	701	758	34 906
Q4	2 940	1 219	38.2	2.4	5.6	39.3	3.8	8.3	728	723	34 338
1985 Q1	2 956	1 233	37.9	3.4	4.9	38.5	3.7	7.7	715	708	35 658
Q2	2 950	1 270	41.2	3.1	5.7	39.6	3.3	7.3	662	728	36 556
Q3	2 985	1 347	42.4	2.7	5.9	38.0	3.1	6.4	739	690	37 625
Q4	2 968	1 439	44.0	3.2	5.4	38.8	3.1	5.8	847	774	39 458
1986 Q1	3 005†	1 290	41.5	3.3	4.7	39.1	3.3	5.7	803	782	40 470
Q2	3 054	1 460	44.6	3.3	4.6	40.4	3.2	6.0	1 008	885	43 443
Q3	3 259	1 441	47.3	3.1	5.6	42.1	2.8	5.1	968	933	45 065
Q4	3 488	1 450	46.6	3.1	5.2	45.1	3.1	5.6	847	917	45 749
1987 Q1	3 505	1 537	46.6	2.5	5.2	42.6	2.3	4.9	820	825	47 460
Q2	3 264	1 448	46.2	3.3	5.5	43.9	3.3	5.0	871	855	49 604
Q3	3 563	1 501	49.4	3.2	4.5	44.1	3.2	5.0	961	884	52 428
Q4	3 400	1 525	50.6	3.0	4.6	43.7	2.7	5.1	1 050	924	55 474
1988 Q1	3 433	1 557	53.8	2.9	4.4	47.5	3.0	4.8	1 286	1 090	60 395
Q2	4 007	1 472	54.8	2.8	4.4	45.4	2.7	5.5	1 371	1 224	63 342
Q3	3 758	1 523	51.4	3.4	3.7	48.1	2.8	4.9	1 198	1 283	67 425
Q4	3 570	1 592	56.3	3.4	3.9	43.7	2.9	4.3	976	1 099	69 342
1989 Q1	3 390	1 370†	49.7†	4.2†	3.3†	44.1†	3.2	4.1†	982	999	71 828†
Q2	3 503	1 202	43.2	3.7	3.2	40.7	2.2	3.6	1 200	1 106	75 213
Q3	3 581	1 023	36.8	2.6	3.9	40.3	3.2†	4.1	1 147	996	75 993
Q4	3 682	1 097	34.9	3.2	3.2	41.6	2.9	4.1	1 120†	1 166†	76 308
1988 Apr	..	525	19.0	0.8	1.6	14.9	0.9	2.1	427	374	62 304
May	..	460	18.1	1.1	1.3	15.7	1.0	1.7	468	406	63 060
Jun	..	487	17.7	0.9	1.5	14.8	0.8	1.7	476	444	64 578
Jul	..	473	17.3	1.2	1.1	17.9	1.0	1.6	481	423	66 577
Aug	..	553	17.3	1.2	1.6	15.6	0.9	1.7	381	457	66 326
Sep	..	497	16.8	1.0	1.0	14.6	0.9	1.6	336	403	69 915
Oct	..	500	18.1	1.3	1.2	15.0	0.9	1.5	346	360	67 488
Nov	..	550	19.1	1.1	1.2	14.2	0.9	1.4	357	377	69 956
Dec	..	541	19.1	1.0	1.5	14.5	1.1	1.4	273	362	71 153
1989 Jan	..	547†	18.7	1.5	1.3	16.8	1.1	1.6	287	337	68 808
Feb	..	424	18.8	1.5	1.1	15.1	1.2	1.7	333	319	71 096
Mar	..	399	14.0	1.3	1.3	14.3	0.9	1.5	362	343	74 314
Apr	..	444	15.5	1.0	1.1	13.6	0.7	1.2	388	337	74 761†
May	..	381	13.7	1.4	1.2	13.5	0.7	1.2	396	392	74 671
Jun	..	377	12.8	1.0	1.1	12.7	0.8	1.0	416	377	76 201
Jul	..	335	12.3†	1.1†	1.7	14.1†	0.9	1.2	332	277	76 729
Aug	..	341	12.4	0.8	1.1	12.1	1.1	1.2†	409	359	75 714
Sep	..	347	12.1	0.9	1.0†	14.1	1.1	1.6	406	360	75 639
Oct	..	364	13.2	1.3	1.0	14.2	0.7†	1.1	394	353	75 023
Nov	..	367	11.2	1.0	1.1	14.5	1.2	1.2	404†	391†	75 785
Dec	..	366	10.5	0.9	1.1	12.9	1.0	1.8	322	422	78 844
1990 Jan	..	322	11.7	1.2	1.0	13.1	1.3	1.2	295	305	78 600
Feb	..	..	..	..	..	..	..	..	..	..	78 800

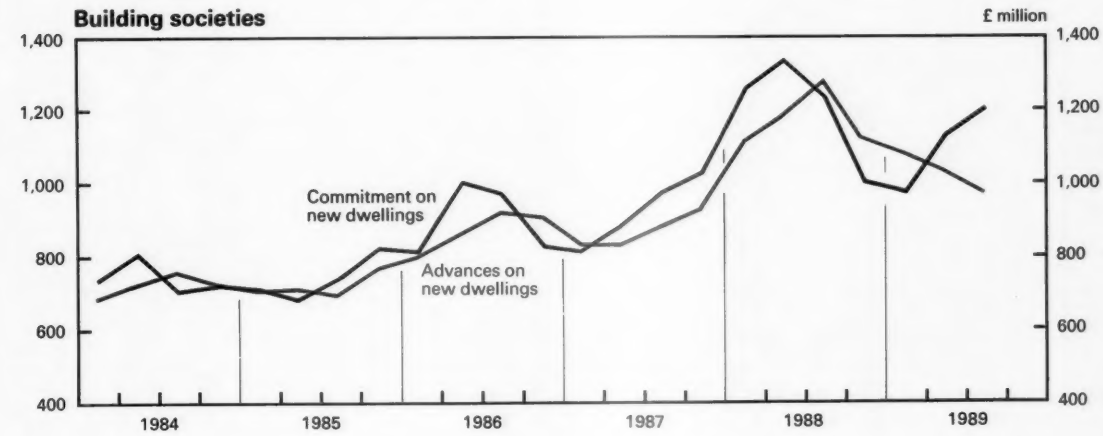
1 Mortgages with building societies by private owners. The series covers only dwellings on which building societies have approved mortgages during the period. The cost of land is included.

2 The Abbey National ceased to operate as a building society in July 1989, but to ensure continuity in the data its results are included in the building society sector whenever possible.

Sources: Central Statistical Office; Department of the Environment; Scottish Development Department; Building Societies Association


Indicators of fixed investment in dwellings
£ million 1985 prices
4,000
3,000
2,000
1,000
0
Fixed investment in dwellings
Orders for new houses (GB)
1984
1985
1986
1987
1988
1989


Housing completions
Percentage change, quarter on corresponding quarter of previous year
40
30
20
10
0
–10
–20
–30
–40
–50
–60
Private enterprise (GB)
Housing associations,
Local authorities, new towns and government departments
1984
1985
1986
1987
1988
1989


Building societies
£ million
1,400
1,200
1,000
800
600
400
Commitment on new dwellings
Advances on new dwellings
1984
1985
1986
1987
1988
1989

13 Stock changes

£ million, 1985 prices

	Energy and water supply	Manufacturing: Materials and fuels	Manufacturing: Work in progress	Manufacturing: Finished goods	Manufacturing: Total	Distribution: Wholesale[1]	Distribution: Retail[2]	Other industries[3]	National accounts statistical adjustments[4]	All industries
Value of stocks and work in progress end-December 1988[4]	5 824	12 951	16 191	13 109	42 251	14 616	11 981	20 584	1240	96 496
	DHBQ	DGAX	DGAY	DGAW	DHBM	DHBO	DHBN	DHBR	DHNJ	DGBA
1984 Q4	-180	96	21	221	334	-31	394	219	-	736
1985 Q1	-71	44	-288	87	-157	-1	-23	166	-50	-156†
Q2	-92	18	13	206	237	144	129	211	180	779
Q3	-30	194	13	-48	159	-108	133	264	-530	-112
Q4	202	-117	-405	-159	-682	-120	28	226	400	104
1986 Q1	-16	-21	-128	-55	-204	420	184	187†	-750†	-179
Q2	-203	106	54	37	197	-116	183	38	-270	-171
Q3	-96	-59	-28	-31	-118	-256	135	139	760	564
Q4	99	-132	-21	-125	-278	217	207	33	260	538
1987 Q1	-135	-27	-77	-41	-145	232	117†	11	-580	-500
Q2	-35	-20	-60	-110	-190	80	221	316	20	412
Q3	-1	91	317	18	426	257	380	230	-570	722
Q4	-34	59	-400	25	-314	-34	4	-208	1 130	544
1988 Q1	-49	12	72	50	133	-16	225	218	230	741
Q2	-72	67	102	174	343	159	98	161	-650	39
Q3	-58	-111	-6	-29	-146	295	58	-107	1 240	1 282
Q4	77	52	137	224	414	-32	346	629	420	1 854
1989 Q1	315†	102†	119†	114†	335†	-175†	-180	784	750	1 829
Q2	-141	16	21	70	108	40	230	-15	720	942
Q3	105	104	150	46	299	63	-13	-408	1 040	1 086
Q4	72	-136	-63	-58	-258	-34	-20	868	-1 270	-642

1 Classes 61-63 excluding activity heading 6148; wholesale distribution of motor vehicles and parts.
2 Classes 64-65 excluding activity headings 6510 and 6520; retail distribution of motor vehicles and parts, and filling stations.
3 First and second quarter 1989 estimates include adjustments (+ £300m and - £300m respectively) to offset distortion to total stocks estimates otherwise caused by Easter falling in March that year.
4 For explanation of adjustments see CSO GDP Press Release of 16 March 1990, Notes to Editors.
5 Stock levels at 1985 prices, not seasonally adjusted.

Source: Central Statistical Office

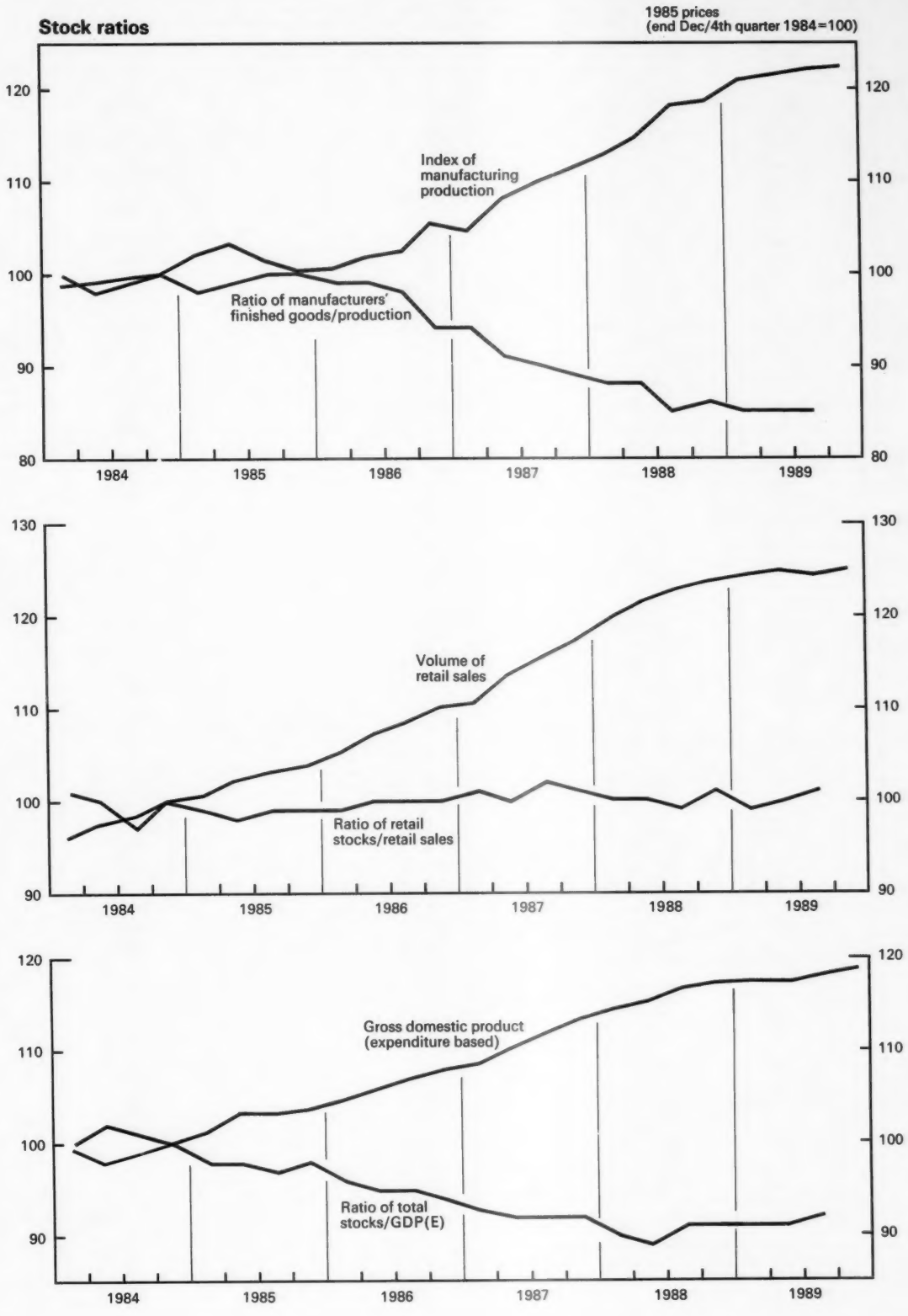
14 Stock ratios

	Manufacturers' stocks[1] to manufacturing production: Materials and fuel	Work in progress	Finished goods	Total stocks	Retail stocks[1] to retail sales[2,3]	Total stocks[1,4] to gross domestic product (expenditure-based)[2]
	FDCC	FDCD	FDCE	FDCB	FDCF	FDCA
1984 Q4	100	100	100	100	100	100
1985 Q1	98	96	98	97	99	98
Q2	98	96	99	97	98	98
Q3	100	97	100	99	99	97
Q4	101	96	100	99	99	98
1986 Q1	100	95	100†	98	99	97†
Q2	100	94	99	97	100	96
Q3	99	93	98	96	100	95
Q4	95	90	94	93	100	94
1987 Q1	96†	91†	95	93	101	94
Q2	92	87	91	90	100	93
Q3	92	88	89	89	102	93
Q4	91	85	89	88	101	91
1988 Q1	90	84	88	87	100	89
Q2	89	83	87	86	100	89
Q3	85	80	85	83	99	90
Q4	85	81	86	84	101	91
1989 Q1	84	80	85	83	99	91
Q2	84	80	85	82†	101†	92
Q3	84	80	85	83	101	91
Q4	83	79	84	82	100	91

1 Measured at 1985 prices; end-December 1984=100.
2 Measured at 1985 prices; 4th quarter 1984=100.
3 Classes 64-65 excluding activity headings 6510 and 6520, retail distribution of motor vehicles and parts, and filling stations.
4 Including national accounts statistical adjustments. For details of adjustments see CSO GDP Press Release of 16 March 1990, Notes to Editors.

Source: Central Statistical Office

Stock ratios



15 Inland energy consumption

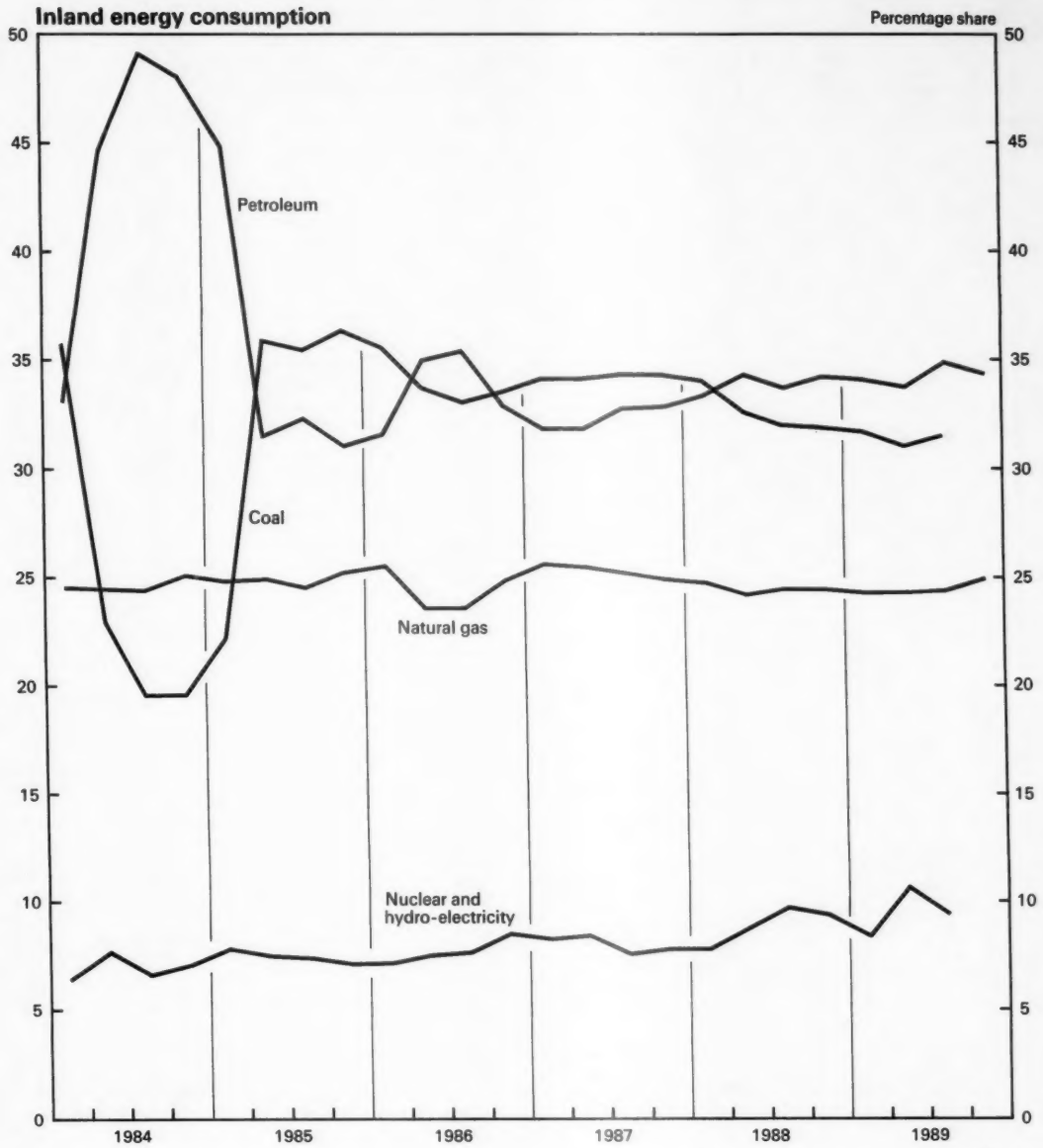
Annual rates, temperature corrected

	Primary fuel input (million tonnes of coal or coal equivalent)							Public supply: electricity available (terrawatt hours)
				Primary electricity (not temperature corrected)				
	Coal[1]	Petroleum	Natural gas (excl. flared or re-injected)	Nuclear	Hydro[2] (NSA)	Net imports (NSA)	Total	
	FDAI	FDAJ	FDAK	FDAL	FDAM	FDAW	FDAH	FDAN
1980	120.1	121.2	70.5	13.4	2.0	-	327.2	245.9
1981	117.5	110.2	71.6	13.7	2.3	-	315.3	239.2
1982	109.6	110.8	72.9	16.0	2.4	-	311.7	236.2
1983	111.6	105.9	75.6	18.1	2.4	-	313.6	242.3
1984	78.5	134.7	77.3	19.5	2.1	-	312.1	246.0
1985	103.6	113.2	81.2	22.1	2.1	-	322.3	255.8
1986	110.6	110.6	81.6	21.3	2.4	1.7	328.3	261.3
1987	114.3	108.0	84.4	19.8	2.1	4.8	333.3	269.9
1988	112.0	116.2	84.5	22.9	2.4	5.2	343.3	..
1989	109.1†	119.6†	85.6†	26.1†	2.3†	5.2†	347.7†	..
1984 Q3	60.9	152.8	76.0	19.5	1.4	-	310.7	250.3
Q4	61.1	149.8	78.6	20.1	2.0	-	311.5	247.2
1985 Q1	70.8	143.0	79.4	23.3	2.1	-	318.5	249.8
Q2	116.8	103.1	81.5	22.3	2.0	-	325.7	258.4
Q3	116.1	106.6	80.9	22.3	2.1	-	329.0	260.2
Q4	116.3	100.0	80.9	21.0	2.2	-	320.3	254.9
1986 Q1	115.4	103.0	83.3	21.0	2.2	0.2	324.9	258.3
Q2	112.3	116.9	79.0	21.2	2.2	1.6	333.3	265.3
Q3	108.7	116.6	78.0	21.8	2.4	1.3	328.1	260.4
Q4	109.3	107.8	81.7	21.6	2.3	3.9	326.6	261.0
1987 Q1	110.8	103.6	83.3	21.1	2.3	3.7	324.7	263.9
Q2	114.5	107.2	86.0	20.6	2.2	5.4	336.0	269.4
Q3	115.8	111.0	85.4	18.7	2.2	4.7	337.8	272.7
Q4	115.4	110.7	84.3	18.8	2.2	5.2	336.5	273.7
1988 Q1	115.2	113.4	84.2	19.2	2.3	5.1	339.4	266.8
Q2	110.2	115.9	82.4	21.8	2.3	5.6	338.3	272.7
Q3	108.8	115.1	83.4	24.9	2.4	5.7	340.4	..
Q4	111.2	119.8	85.8†	26.0	2.5	4.5	349.7†	..
1989 Q1	108.1	117.2	83.8	26.2	2.4	5.2	342.8	..
Q2	108.8	118.4	85.5	28.2	2.6	6.5	349.9	..
Q3	109.4	121.6†	83.5	24.5	2.5	5.8	347.1	..
Q4	110.1†	121.3	88.0	26.0†	2.4†	3.5†	351.3	..
Percentage change, quarter on corresponding quarter of previous year								
	FDAP	FDAQ	FDAR	FDAS	FDAT	FDAX	FDAO	FDAU
1984 Q3	*-48.0*	*35.8*	*4.7*	*2.8*	*-15.6*	-	*-3.8*	*0.8*
Q4	*-45.2*	*47.3*	*2.3*	*12.6*	*-9.6*	-	*0.5*	*1.8*
1985 Q1	*-36.4*	*38.7*	*3.6*	*33.3*	*-12.0*	-	*2.4*	*3.1*
Q2	*66.9*	*-24.4*	*9.1*	*3.6*	*-15.9*	-	*6.8*	*5.8*
Q3	*90.7*	*-30.3*	*6.4*	*14.2*	*-6.8*	-	*5.6*	*4.0*
Q4	*90.5*	*-33.3*	*2.9*	*4.7*	*5.8*	-	*2.8*	*3.1*
1986 Q1	*62.9*	*-28.0*	*4.9*	*-10.0*	*6.8*	+	*2.0*	*3.4*
Q2	*-3.8*	*13.4*	*-3.1*	*-5.2*	*14.4*	+	*2.3*	*2.6*
Q3	*-6.4*	*9.4*	*-3.6*	*-1.9*	*14.6*	+	*-0.3*	*0.1*
Q4	*-8.1*	*7.8*	*1.1*	*2.5*	*6.0*	+	*2.0*	*2.4*
1987 Q1	*-4.0*	*0.6*	-	*0.7*	*2.7*	+	*-0.1*	*2.2*
Q2	*2.0*	*-8.4*	*8.9*	*-2.7*	*-0.2*	+	*0.8*	*1.6*
Q3	*6.5*	*-4.8*	*9.5*	*-14.2*	*-5.9*	+	*3.0*	*4.7*
Q4	*5.6*	*2.7*	*4.7*	*-12.9*	*-7.4*	*32.9*	*3.0*	*4.9*
1988 Q1	*3.9*	*9.5*	*1.2*	*-8.9*	*0.9*	*33.8*	*4.5*	*1.1*
Q2	*-3.8*	*8.2*	*-4.2*	*5.8*	*3.6*	*3.7*	*0.7*	*1.2*
Q3	*-6.0*	*3.6*	*-2.3*	*33.1*	*6.8*	*23.1*	*0.8*	..
Q4	*-3.7*	*8.2*	*1.4*	*37.7*	*14.5*	*-12.3*	*3.8*	..
1989 Q1	*-6.2*	*3.4*	*-0.5*†	*36.1*	*5.4*	*1.4*	*1.0*	..
Q2	*-1.3*	*2.1*	*3.7*	*29.5*	*10.7*	*15.2*	*3.4*	..
Q3	*0.5*	*5.7*†	-	*-1.9*	*5.9*	*0.9*	*2.0*	..
Q4	*-1.0*†	*1.3*	*2.6*	*0.1*†	*-0.7*†	*-23.8*†	*0.5*†	..

1 Annual data includes adjustment for net foreign trade and stock change in other solid fuels.

2 Quarterly data from Q1 1985 onwards are the estimated annual outturn. Comparisons with 1984 are based on corresponding estimated outturns in that year, not the data shown in the table.

Source: Department of Energy


Inland energy consumption
Percentage share
50
45
40
35
30
25
20
15
10
5
0
Petroleum
Coal
Natural gas
Nuclear and
hydro-electricity
1984
1985
1986
1987
1988
1989

16 Index of output of the production industries[1]

1985 = 100

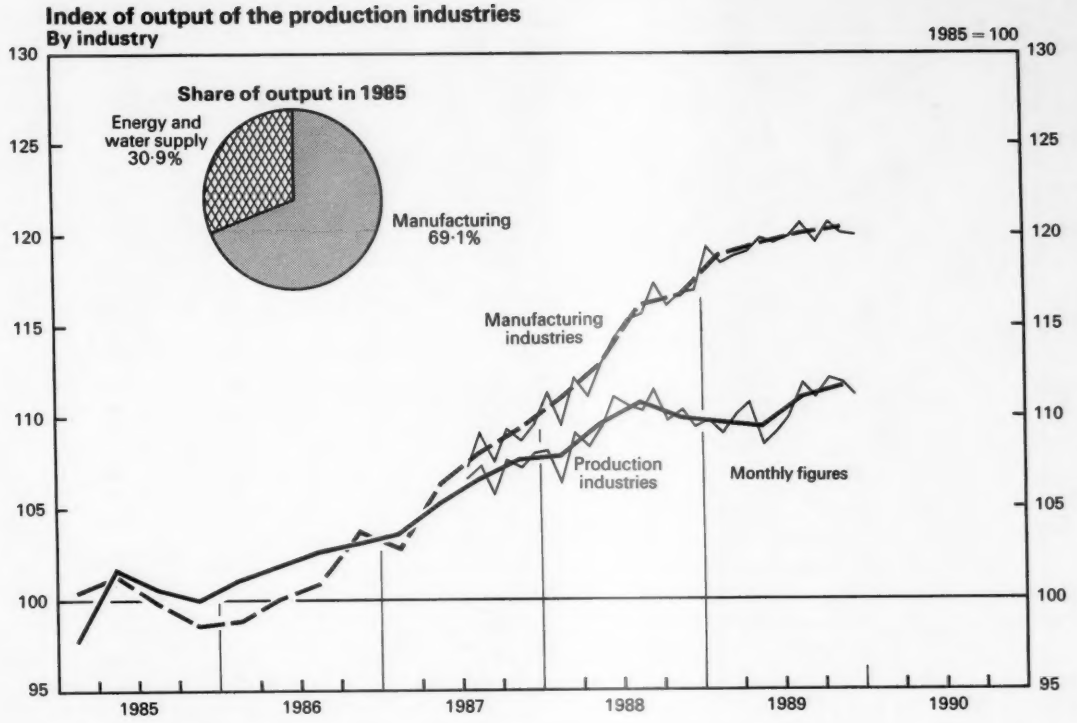
	Total production industries	Energy and water supply	Total manufacturing industries	By market sector: Consumer goods industries	By market sector: Investment goods industries	By market sector: Intermediate goods industries
1985 weights	*1 000*	*309*	*691*	*243*	*195*	*562*
	DVIM	DVIN	DVIS	DVJP	DVJV	DVJZ
1983	94.7	96.8	93.7	95.3	91.8	95.4
1984	94.9	88.8	97.6	98.1	95.8	93.2
1985	100.0	100.0	100.0	100.0	100.0	100.0
1986	102.1	105.0	100.9†	101.5	98.8	103.6
1987	105.8†	103.9	106.6	106.8†	102.9	106.4
1988	109.6	99.3	114.1	112.5	111.3†	107.7
1989	110.4	89.8†	119.6	115.0	123.0	104.1†
1984 Q4	94.9	87.3	98.3	98.1	98.4	92.3
1985 Q1	97.7	91.8	100.4	100.4	101.1	95.4
Q2	101.8	102.9	101.3	100.2	102.8	102.1
Q3	100.6	102.4	99.8	100.3	99.1	101.2
Q4	99.9	102.9	98.6	99.1	97.0	101.3
1986 Q1	101.1	106.2	98.9	99.5	99.1	102.6†
Q2	101.8†	105.5†	100.1	101.1	97.5†	103.5
Q3	102.6	106.7	100.8†	101.7	97.8	104.7
Q4	103.0	101.5	103.6	103.7†	100.8	103.5
1987 Q1	103.6	105.1	102.9	103.4	98.9	105.3
Q2	105.3	102.9	106.3	106.0	103.5	105.6
Q3	106.7	103.5	108.0	108.3	103.6	107.0
Q4	107.7	104.0	109.3	109.4	105.8	107.5
1988 Q1	107.9	100.8	111.0	109.8	106.9	107.4
Q2	109.7	102.8	112.8	111.7	109.7	108.9
Q3	110.8	98.8	116.1	114.2	113.7	108.3
Q4	109.9	94.8	116.6	114.1	115.1	106.3
1989 Q1	109.7	88.9	118.9	114.8	119.8	103.9
Q2	109.5	87.0	119.5	115.4	121.1	102.9
Q3	111.0	91.1	119.9	114.8	124.4	104.7
Q4	111.6	92.4	120.2	115.1	126.8	104.9
1987 Aug	107.4†	103.4†	109.2†	109.1†	104.9†	107.5
Sep	105.8	101.8	107.6	107.7	104.1	105.6†
Oct	107.7	104.1	109.4	109.4	105.3	107.9
Nov	107.3	103.8	108.8	108.4	104.2	107.8
Dec	108.0	104.1	109.7	110.6	107.8	106.9
1988 Jan	108.2	101.2	111.4	110.3	104.3	108.8
Feb	106.4	99.3	109.5	108.5	106.1	105.5
Mar	109.1	102.0	112.2	110.6	110.4	108.0
Apr	108.5	102.4	111.2	109.3	108.2	108.2
May	109.5	101.9	112.9	112.4	108.0	108.8
Jun	111.1	104.1	114.3	113.3	112.8	109.6
Jul	110.6	99.8	115.4	114.0	111.9	108.7
Aug	110.3	98.2	115.7	113.1	113.0	108.1
Sep	111.4	98.5	117.2	115.6	116.2	108.0
Oct	109.8	95.5	116.2	113.3	115.1	106.4
Nov	110.4	96.1	116.7	114.3	115.3	107.0
Dec	109.6	92.8	117.0	114.8	114.8	105.5
1989 Jan	109.8	88.3	119.3	114.5	120.2	104.1
Feb	109.2	88.4	118.5	114.3	119.7	103.4
Mar	110.0	90.0	119.0	115.7	119.5	104.3
Apr	110.7	91.9	119.1	116.1	118.0	105.8
May	108.4	83.0	119.8	115.2	121.5	101.0
Jun	109.2	86.0	119.6	115.0	123.8	101.7
Jul	110.1	88.5	119.8	115.7	124.2	102.9
Aug	111.8	92.2	120.5	114.5	125.9	105.7
Sep	111.1	92.5	119.4	114.2	123.3	105.6
Oct	112.0	92.9	120.6	114.7	128.5	105.2
Nov	112.0	93.2	120.3	114.4	127.3	105.6
Dec	110.9	91.1	119.8	116.1	124.6	104.0
1990 Jan	110.1	88.8	119.5	115.3	124.8	102.7

1 The figures contain, where appropriate, an adjustment for stock changes.

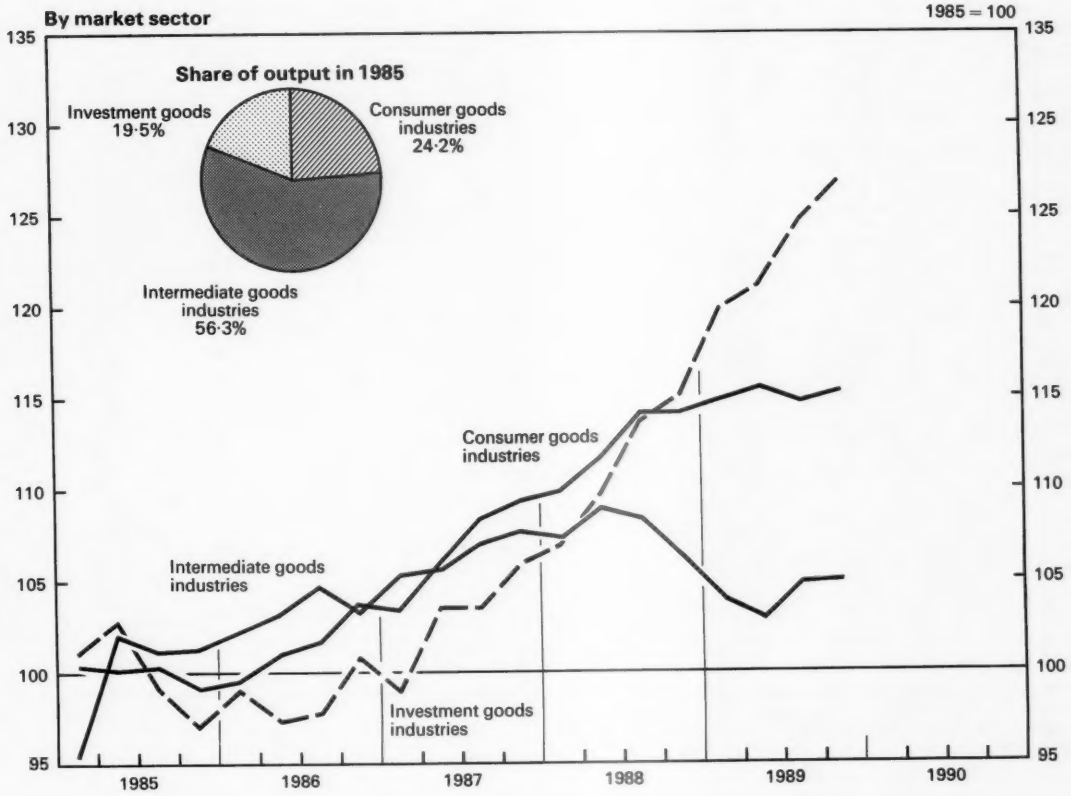
Source: Central Statistical Office

Index of output of the production industries

By industry



By market sector



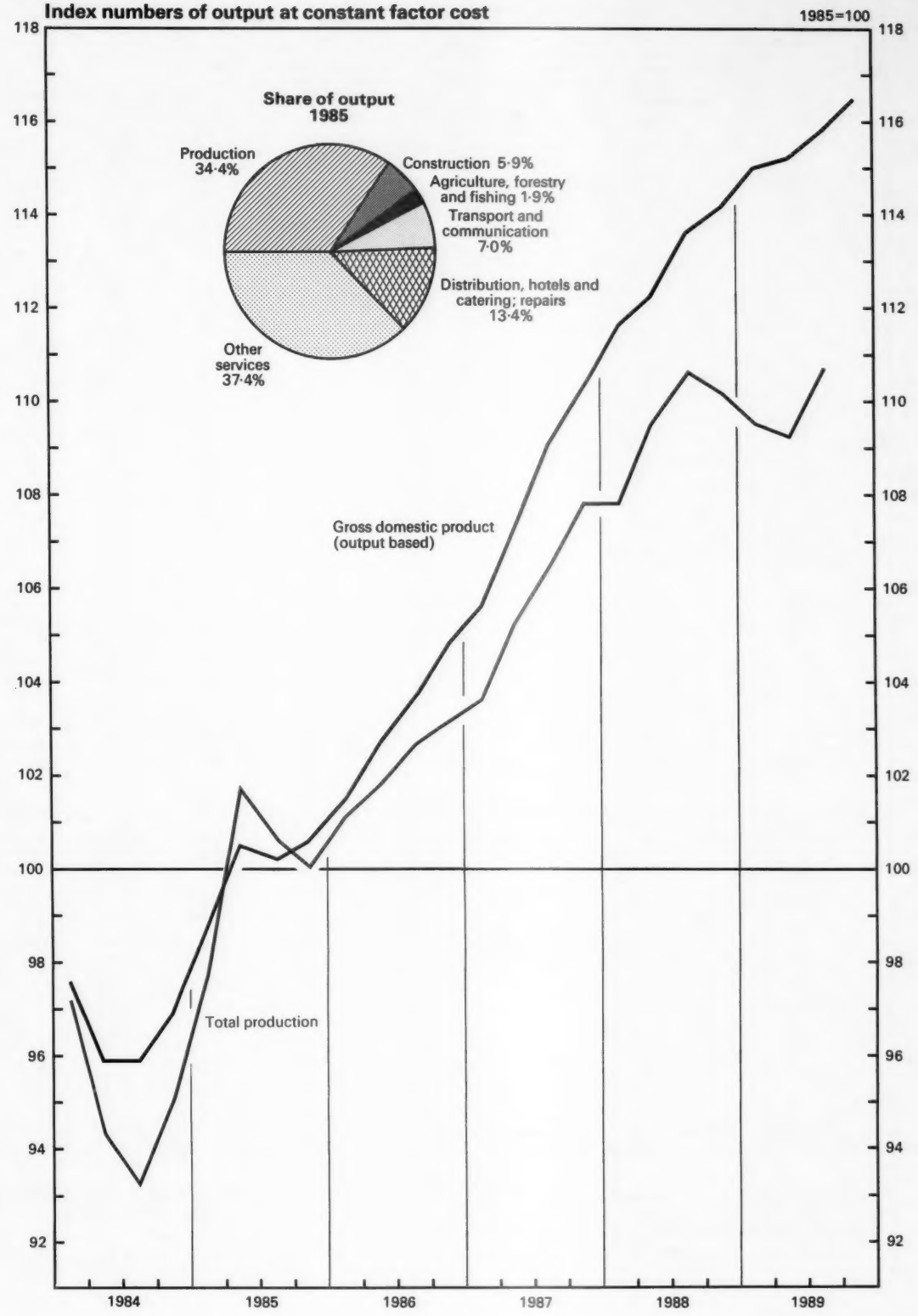
17 Index numbers of output at constant factor cost

1985 = 100

	Agriculture, forestry and fishing	Production industries[1]	Construction	Service industries: Distribution; hotels and catering; repairs	Service industries: Transport and communication	Service industries: Other services	Service industries: Total services	Gross domestic product
1985 weights	*19*	*344*	*59*	*134*	*70*	*374*	*578*	*1 000*
	CKAP	DVIM	DVJO	CKAQ	CKAR	CKAS	CKCE	DSAE
1981	88	89.6	82.1	85	91	91	89.6	89.0
1982	95	91.3	88.6	87	90	92	90.8	91.0
1983	90†	94.7	94.3	91†	92†	95†	93.8	94.0
1984	105	94.9	98.6	96	97	98	97.1	96.6
1985	100	100.0	100.0	100	100	100	100.0	100.0
1986	98	102.1	104.6	104	105	103	103.6†	103.0†
1987	99	105.8†	110.6	111	113	108	109.4	108.0
1988	97	109.6	118.8	118	120	113	114.9	113.0
1989	98	110.4	123.5†	121	128	116	119.0	116.0
1984 Q1	101†	97.2	97.5	95†	95†	99†	97.7	97.6
Q2	107	94.3	98.6	95	96	97	96.2	95.9
Q3	108	93.2	99.6	96	97	97	96.7	95.9
Q4	105	94.9	98.6	97	99	98	97.7	96.9
1985 Q1	102	97.7	100.6	99	99	99	99.2	98.8
Q2	100	101.8	100.0	100	99	100	99.7	100.5
Q3	99	100.6	98.7	100	100	100	100.1	100.2
Q4	100	99.9	100.7	101	101	101	100.9	100.6
1986 Q1	98	101.1	100.0	101	102	102	101.9†	101.4†
Q2	97	101.8†	104.6	103	104	103	102.8	102.4
Q3	98	102.6	105.8	104	105	104	104.1	103.6
Q4	98	103.0	107.9	106	108	105	105.6	104.7
1987 Q1	99	103.6	109.3	108	107	106	106.4	105.5
Q2	99	105.3	107.5	110	113	107	108.6	107.2
Q3	99	106.7	111.0	112	116	109	110.7	109.1
Q4	98	107.7	114.7	114	115	111	111.8	110.3
1988 Q1	97	107.9	119.7	117	119	111	113.4	111.6
Q2	97	109.7	117.9	117	119	112	113.8	112.3
Q3	98	110.8	117.4	119	120	114	115.7	113.8
Q4	97	109.9	120.3	120	122	115	116.9	114.3
1989 Q1	98	109.7	125.2	122	126	116	118.3	115.4
Q2	99	109.5	124.8	121	127	116	118.3	115.3
Q3	99	111.0	120.7†	121	128	117	119.3	116.2
Q4	98	111.6	123.4	122	130	118	120.1	117.0
Percentage change, quarter on corresponding quarter of previous year								
1984 Q3	*22*	*-1.8*	*4*	*4.5†*	*5*	*2*	*2.8*	*1.6*
Q4	*13*	*-1.9*	*2*	*5.4*	*5*	*2*	*3.0*	*1.4*
1985 Q1	-	*0.6*	*3*	*4.5*	*4*	-	*1.6*	*1.3*
Q2	*-7*	*7.9*	*1*	*5.0*	*3*	*3*	*3.7*	*4.8*
Q3	*-8*	*7.9*	*-1*	*5.0*	*3*	*3*	*3.5*	*4.5*
Q4	*-5*	*5.3*	*2*	*3.7*	*3*	*3*	*3.3*	*3.8*
1986 Q1	*-3*	*3.5*	*-1*	*2.6*	*3*	*3*	*2.7†*	*2.7*
Q2	*-2†*	*.†*	*5*	*3.1*	*5*	*3*	*3.1*	*2.0†*
Q3	*-2*	*2.1*	*7*	*3.6*	*5*	*4*	*3.9*	*3.4*
Q4	*-2*	*3.1*	*7*	*4.8*	*7*	*4*	*4.6*	*4.1*
1987 Q1	*1*	*2.4*	*9*	*6.3*	*5*	*4*	*4.5*	*4.0*
Q2	*2*	*3.5*	*3*	*7.0*	*9*	*4*	*5.6*	*4.6*
Q3	*1*	*3.9*	*5*	*7.2*	*11*	*5*	*6.4*	*5.3*
Q4	*1*	*4.5*	*6*	*7.4*	*7*	*5*	*5.9*	*5.4*
1988 Q1	*-2*	*4.2*	*10*	*8.2*	*12*	*5*	*6.6*	*5.8*
Q2	*-3*	*4.2*	*10*	*5.9*	*6†*	*4*	*4.8*	*4.8*
Q3	*-1*	*3.9*	*6*	*6.3*	*3*	*4*	*4.6*	*4.3*
Q4	*-1*	*2.1*	*5*	*5.5*	*6*	*4†*	*4.5*	*3.6*
1989 Q1	*1*	*1.6*	*5*	*4.6*	*6*	*4*	*4.3*	*3.4*
Q2	*2*	*-0.2*	*6*	*3.8*	*7*	*4*	*4.0*	*2.7*
Q3	*1*	*0.2*	*3†*	*2.0*	*7*	*3*	*3.1*	*2.1*
Q4	*1*	*1.6*	*3*	*1.5*	*6*	*3*	*2.7*	*2.3*

1 The latest data for the index of production are presented in Table 16. The figures given in this table are consistent with the figures for the output measure of gross domestic product.

Source: Central Statistical Office


Index numbers of output at constant factor cost
1985=100
Share of output
1985
Production
34·4%
Construction 5·9%
Agriculture, forestry
and fishing 1·9%
Transport and
communication
7·0%
Distribution, hotels and
catering; repairs
13·4%
Other
services
37·4%
Gross domestic product
(output based)
Total production
118
116
114
112
110
108
106
104
102
100
98
96
94
92
1984
1985
1986
1987
1988
1989

18 Engineering and construction: output and orders

Volume index numbers

	Engineering industries[1]							Construction (GB)	
	Home market		Export		Total				
	Orders on hand end of period (average 1985 = 100)	New orders[2] (1985 average monthly sales = 100)	Orders on hand end of period (average 1985 = 100)	New orders[2] (1985 average monthly sales = 100)	Sales[2] (1985 average monthly sales = 100)	Orders on hand end of period (average 1985 =100)	New orders[2] (1985 average monthly sales = 100)	Gross output[3] (1985 = 100)	Orders received (1985 = 100)
	FEAV	FEAN	FEAX	FEAP	FEAJ	DKCJ	FEAL	FEAQ	FEAZ
1985	96	96	99	102	100	97	98	100.0	100.0
1986	96	99	97	99	100	96†	99	103.3	108.2
1987	101†	105	96	105†	104	99	105	111.4	128.8[4]
1988	107	115	103†	124	115	106	118	119.5	134.0
1989	122	124†	129	146	122†	125	131†	124.3†	129.9†
1985 Q4	96	93†	99	92†	100†	97	93†	100.8	104.0
1986 Q1	93†	96	96†	94	101	94†	96	98.7	104.1
Q2	96	102	94	93	97	95	99	103.3	106.8
Q3	95	98	92	93	98	94	96	104.4	114.2
Q4	96	100	97	116	101	96	105	106.6	107.6
1987 Q1	96	98	97	103	99	96	100	110.0	115.9
Q2	97	102	97	104	102	97	103	108.4	117.5
Q3	98	108	97	106	105	98	107	111.7	165.8[4]
Q4	101	112	96	108	108	99	111	115.5	116.0
1988 Q1	104	112	104	131	108	104	118	120.3	138.7
Q2	107	115	103	115	112	106	115	118.8	125.7
Q3	109	120	103	126	117	107	122	118.0	130.2
Q4	107	112	103	124	117	106	116	120.9	141.4
1989 Q1	118	136	116	150	119	118	141	125.9	132.3†
Q2	120	124	117	132	123	119	126	125.2†	137.8
Q3	124	122	125	152	121	124	132	121.5	125.3
Q4	122	115	129	150	125	125	126	124.9	124.1
1987 Aug	97	111†	98†	113†	108†	97	111†	..	143.9
Sep	98	108	97	101	104	98	106	..	122.6
Oct	99	110	98	115	108	98	111	..	116.3
Nov	100†	114	97	109	107	99†	113	..	113.1
Dec	101	114	96	99	109	99	109	..	118.4
1988 Jan	105	128	103	159	107	104	138	..	135.0
Feb	104	99	103	110	106	103	102	..	144.3
Mar	104	111	104	124	110	104	115	..	136.9
Apr	105	110	105	123	110	105	114	..	127.2
May	107	121	104	108	111	106	117	..	123.3
Jun	107	115	103	115	116	106	115	..	126.4
Jul	110	126	102	124	118	107	125	..	129.6
Aug	111	124	103	128	121	108	125	..	127.6
Sep	110	113	102	127	123	107	118	..	133.5
Oct	107	104	103	125	119	105	111	..	138.1
Nov	107	117	104	134	118	106	123	..	148.3
Dec	107	114	103	114	117	106	114	..	137.7
1989 Jan	117	171	113	195	118	116	179	..	142.6†
Feb	116	103	118	164	115	117	122	..	129.3
Mar	119	129	119	130	116	119	129	..	125.1
Apr	125	151	121	142	117	124	148	..	142.3
May	123	103	119	109	121	121	105	..	127.2
Jun	122	114	118	127	123	121	118	..	143.8
Jul	123	125	122	163	125	123	137	..	114.9
Aug	123	125	126	167	125	124	139	..	115.3
Sep	124	117	125	130	118	124	121	..	145.9
Oct	123	111	127	149	122	125	123	..	131.8
Nov	123	117	129	158	127	125	130	..	123.1
Dec	122	116	129	144	128	125	125	..	117.5
1990 Jan	118	93	124	105	124	120	97	..	115.2

1 Mechanical, instrument and electrical engineering (SIC classes 32, 33, 34 and 37).

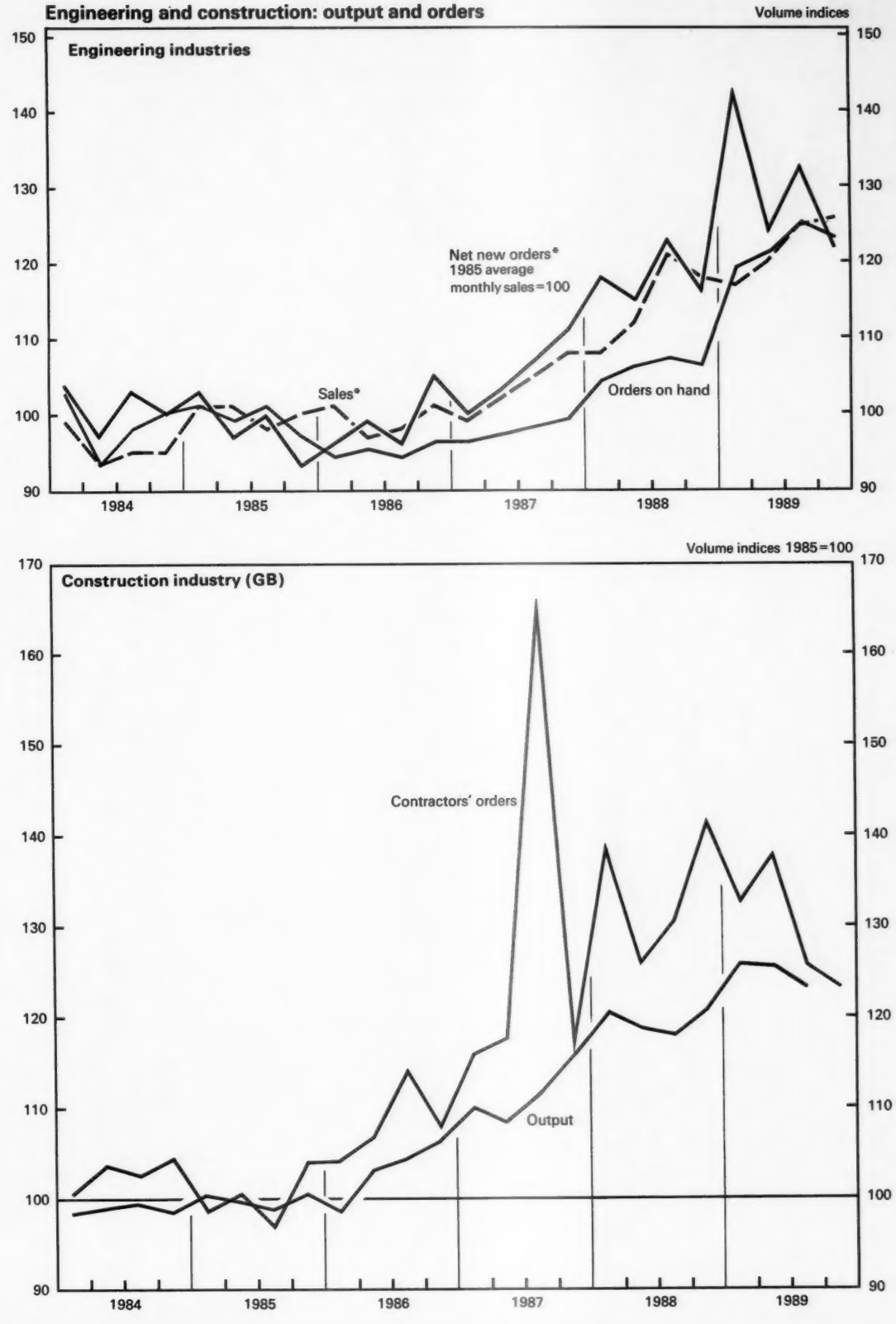
2 Net of cancellations.

3 This index is based on a gross output series which includes repair and maintenance estimates, unrecorded output by self-employed workers and small firms and output by the direct labour departments of the public sector.

4 Includes the Channel Tunnel project. Excluding the project, the level of orders would have been 137.4 in July 1987, 134.6 in third quarter 1987 and 121.0 in 1987 as a whole.

Sources: Department of Trade and Industry; Department of the Environment

Engineering and construction: output and orders



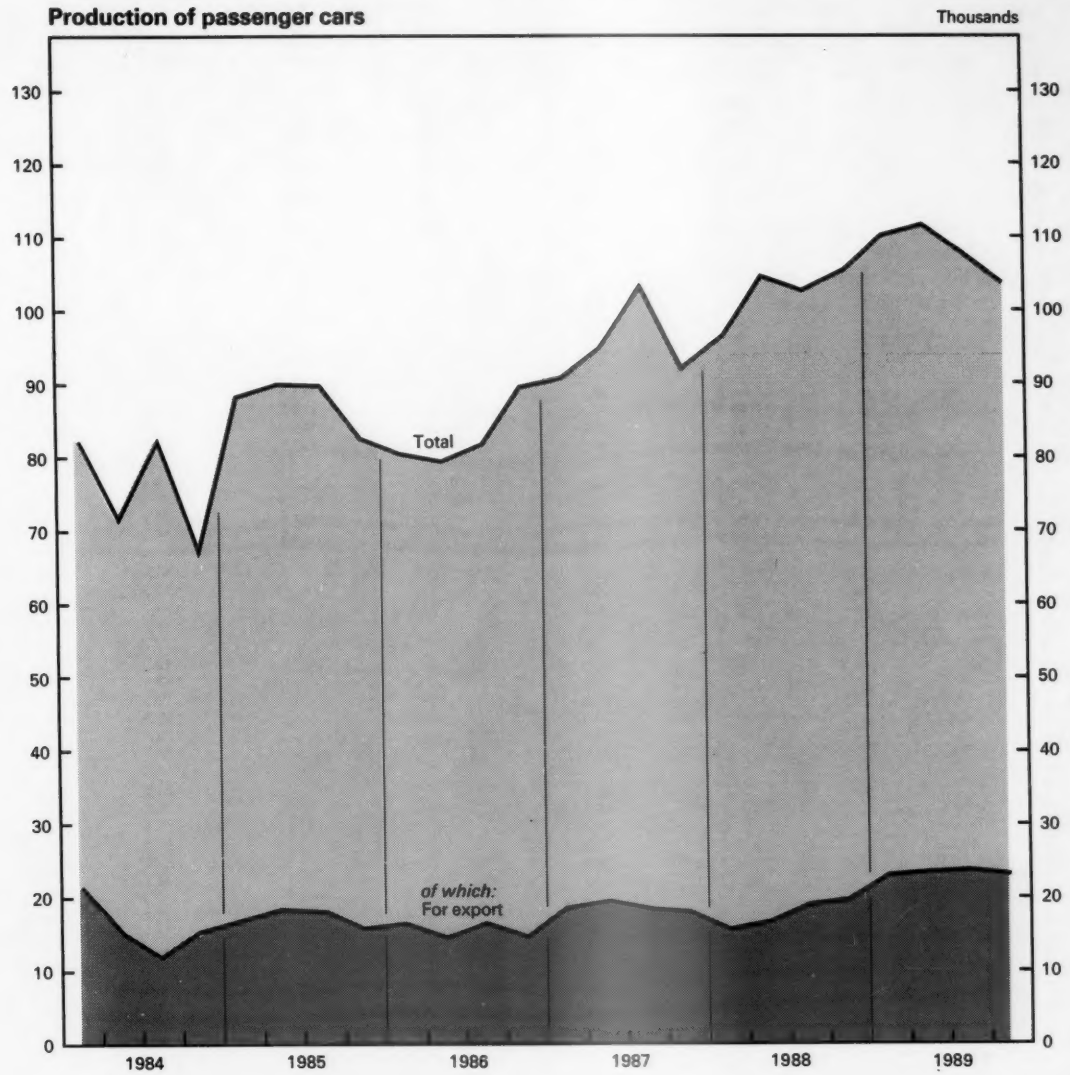
*See footnote [2] on page 32

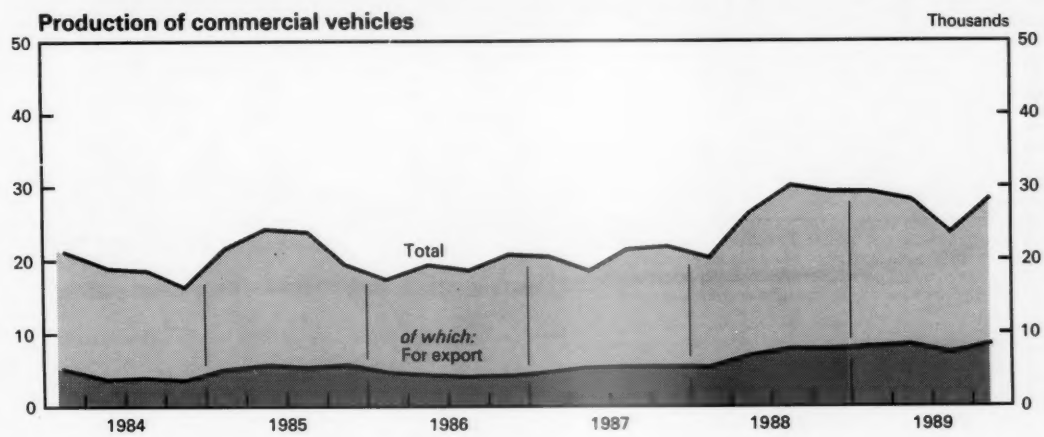
19 Motor vehicle production[1] and steel production and consumption

	Passenger cars+		Commercial vehicles+		Crude steel production[2] (thousand tonnes)	Finished steel consumption (thousand tonnes)
	Total production (thousands)	Of which for export (thousands)	Total production (thousands)	Of which for export (thousands)		
	FFAO	FFAP	FFAQ	FFAR	FFAM	FFAN
1978	89.3	41.2	32.0	14.1	20 237	15 710
1979	77.0	32.8	34.0	13.5	21 411	15 480
1980	77.0	29.1	32.4	13.0	11 387	12 770
1981	79.5	25.4	19.2	9.5	15 308	12 440
1982	74.0	18.8	22.4	7.7	13 644	12 240
1983	87.0	19.8	20.4	5.2	14 933	11 510
1984	75.7	16.0	18.7	4.1	15 076	11 340
1985	87.6	17.3	22.2	5.5	15 716	11 560
1986	85.1	15.5	19.0	4.2	14 723	11 840
1987	95.1†	18.9	20.6	5.1	17 414†	12 330
1988	102.2	17.8	26.6†	7.0	18 950	14 480
1989	108.3	23.4	27.2	8.0	18 740	..
1985 Q3	89.9	18.2	23.9	5.4	3 920.0	2 910
Q4	82.5	15.8	19.4	5.8	3 965.0	3 010
1986 Q1	80.2	16.2	17.2	4.8	3 787.0	2 950
Q2	84.3	14.6	19.4	4.2	3 256.0	3 010
Q3	86.6	16.3	18.8	3.8	3 436.0	2 960
Q4	89.4	14.8	20.7	3.9	4 244.0	2 890
1987 Q1	90.9†	18.9†	20.4	4.5	3 989.0	2 870
Q2	94.9	19.6	18.8†	5.2†	4 392.0	3 030
Q3	102.8	18.9	21.5	5.3	4 673.0	3 260
Q4	91.6	18.1	21.8	5.3	4 672.0	3 170
1988 Q1	93.9	15.6	20.2	5.3	4 751.0	3 550
Q2	106.5	16.5	26.4	7.0	4 694.0	3 650
Q3	103.3	19.1	30.3	7.9	4 675.0	3 610
Q4	105.2	20.2	29.3	7.9	4 727.3	3 670
1989 Q1	110.1	23.0	28.9	7.9	4 854.0	3 730
Q2	111.6	23.6	28.2	8.3	4 740.6	3 670
Q3	107.8	23.8	23.4	7.3	4 912.0	3 820
Q4	103.5	23.3	28.4	8.5	4 282.6†	..
1987 Dec	94.7	18.0	22.5	5.7	1 856.0*	..
1988 Jan	96.1	16.3	22.0	5.8	1 622.0	..
Feb	82.0	15.6	16.0	3.7	1 446.0	..
Mar	103.6	14.8	22.6	6.4	1 682.0*	..
Apr	102.5	16.7	24.1	6.2	1 432.0	..
May	103.6	14.8	25.8	6.5	1 513.0	..
Jun	113.4	18.0	29.2	8.4	1 749.0*	..
Jul	106.1	18.1	29.6†	8.5	1 514.0	..
Aug	102.7	19.0	33.2	7.5	1 420.0	..
Sep	101.2	20.2	28.1	7.7	1 742.0*	..
Oct	105.9	22.7	29.1	8.0	1 470.0	..
Nov	111.2	22.1	29.9	7.9	1 805.0*	..
Dec	98.6	15.7	29.0	7.8	1 453.0	..
1989 Jan	116.8†	23.9†	30.2	8.0†	1 623.0	..
Feb	107.9	22.7	28.8	8.4	1 503.0	..
Mar	105.5	22.3	27.8	7.2	1 728.0*	..
Apr	120.6	25.4	31.1	10.1	1 430.8	..
May	107.8	24.1	27.6	7.0	1 829.0*	..
Jun	106.5	21.3	26.0	7.7	1 480.8	..
Jul	122.4	25.7	17.7	4.5	1 583.2	..
Aug	87.6	21.6	25.7	8.4	1 892.0*	..
Sep	113.5	24.0	26.7	8.9	1 436.8	..
Oct	111.3	22.9	32.7	10.4	1 257.6	..
Nov	92.0	23.1	23.5	7.0	1 651.0*	..
Dec	107.1	23.8	28.9	8.2	1 382.8	..
1990 Jan	111.4	30.0	26.8	8.1	1 829.0*	..
Feb	89.8	23.9	13.1	4.6	1 358.4	..

1 Annual and quarterly figures are monthly averages.
2 The totals are for 'usable steel' in accordance with the system used by the EC and the International Iron and Steel Institute.

Source: Department of Trade and Industry


Production of passenger cars
Thousands
130
120
110
100
90
80
70
60
50
40
30
20
10
0
Total
of which:
For export
1984
1985
1986
1987
1988
1989


Production of commercial vehicles
Thousands
50
40
30
20
10
0
Total
of which:
For export
1984
1985
1986
1987
1988
1989

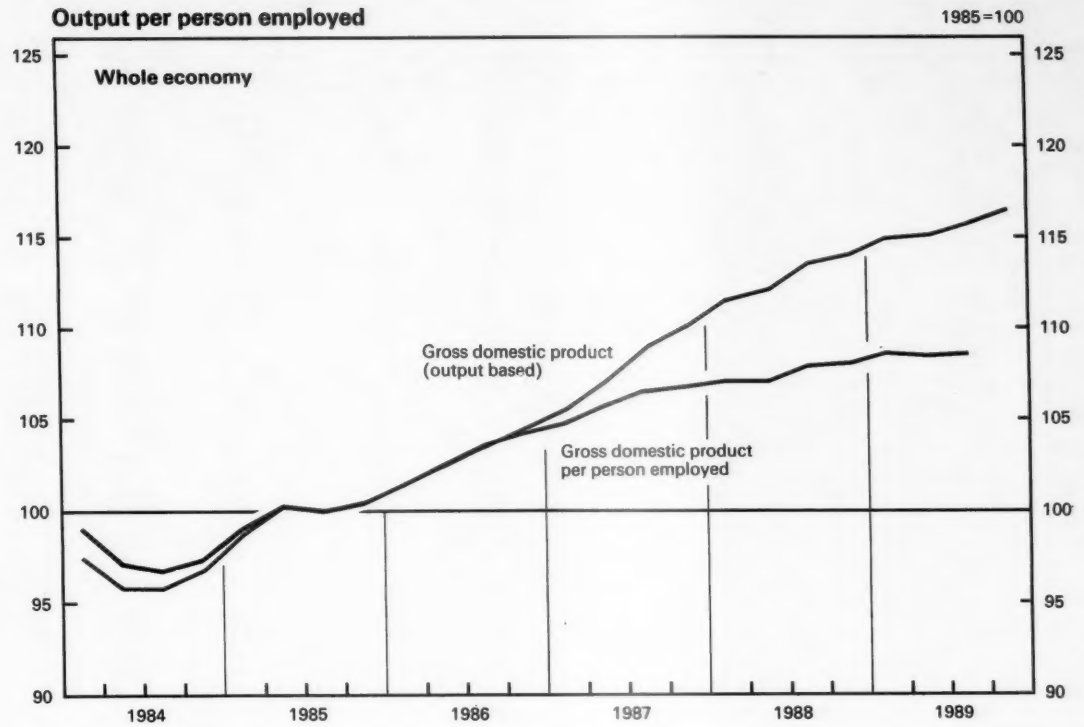
20 Output per person employed

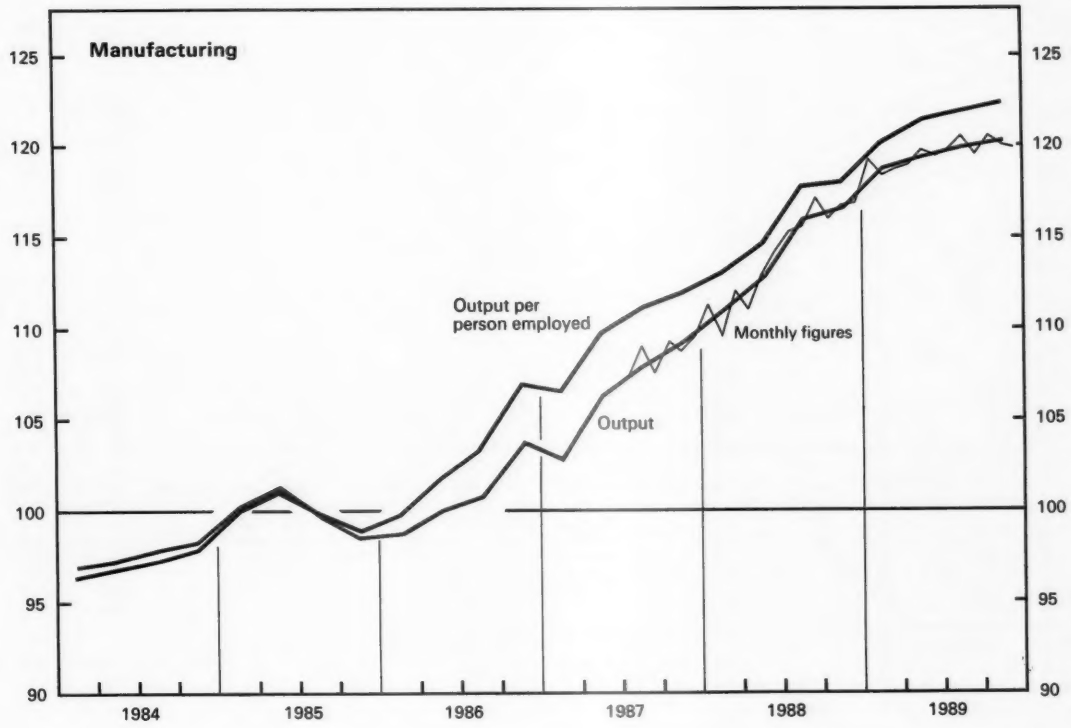
1985 = 100

	Employed labour force[1]			Output per person employed[2]			Output per hour in manufacturing industries[3]
	Whole economy	Total production industries	Manufacturing industries	Whole economy	Total production industries	Manufacturing industries	
	DMBC	DMBK	DMBD	DMBE	CAIW	DMBF	DMBH
1985	100.0	100.0	100.0	100.0	100.0	100.0	..
1986	100.1	97.3	97.9	102.9†	105.0	103.1†	..
1987	101.9	96.0	97.0	106.0	110.2†	109.9	..
1988	105.3†	97.1†	98.7†	107.4	112.8	115.7	..
1989	..	97.4	99.4	..	113.4	120.4	..
1986 Q2	100.0	97.6	98.2	102.4†	104.3†	101.9	..
Q3	100.1	96.8	97.3	103.5	106.1	103.6†	..
Q4	100.4	96.2	97.0	104.3	107.0	106.9	..
1987 Q1	100.7	95.7	96.5	104.7	108.2	106.6	..
Q2	101.4	95.8	96.8	105.7	109.8	109.9	..
Q3	102.3	96.1	97.2	106.6	110.9	111.2	..
Q4	103.2	96.4	97.6	106.9	111.6	112.0	..
1988 Q1	104.1	96.8	98.2	107.2	111.5	113.1	..
Q2	104.8†	97.0†	98.4	107.2	113.2	114.6	..
Q3	105.7	97.2	98.9†	107.6	113.9	117.5	..
Q4	106.4	97.6	99.2	107.4	112.6	117.6	..
1989 Q1	107.2	97.7	99.5	107.6	112.2	119.5	..
Q2	107.8	97.4	99.2	107.0	112.3	120.4	..
Q3	108.5	97.3	99.3	107.1	114.0	120.7	..
Q4	..	97.2	99.3	..	114.8	121.1	..
1988 Sep	..	..	99.0†	..	..	118.5†	..
Oct	..	..	99.0	..	..	117.3	..
Nov	..	..	99.2	..	..	117.7	..
Dec	..	..	99.3	..	..	117.8	..
1989 Jan	..	..	99.5	..	..	119.9	..
Feb	..	..	99.5	..	..	119.1	..
Mar	..	..	99.5	..	..	119.5	..
Apr	..	..	99.3	..	..	119.8	..
May	..	..	99.2	..	..	120.8	..
Jun	..	..	99.1	..	..	120.7	..
Jul	..	..	99.1	..	..	120.8	..
Aug	..	..	99.5	..	..	121.1	..
Sep	..	..	99.4	..	..	120.1	..
Oct	..	..	99.3	..	..	121.4	..
Nov	..	..	99.3	..	..	121.1	..
Dec	..	..	99.3	..	..	120.7	..
1990 Jan	..	..	99.1	..	..	120.6	..
Percentage change, quarter on corresponding quarter of previous year							
1986 Q2	-	*-2.6*	*-1.9*	*2.0†*	*2.6*	*1.0*	..
Q3	-	*-3.2*	*-2.6*	*3.4*	*5.4*	*3.8†*	..
Q4	*0.3*	*-3.2*	*-2.7*	*3.8*	*6.5*	*8.0*	..
1987 Q1	*0.7*	*-3.0*	*-2.6*	*3.3*	*5.5†*	*6.8*	..
Q2	*1.4*	*-1.8*	*-1.5*	*3.2*	*5.3*	*7.8*	..
Q3	*2.2*	*-0.7*	*-0.1*	*3.1*	*4.6*	*7.3*	..
Q4	*2.8*	*0.2*	*0.7*	*2.5*	*4.3*	*4.8*	..
1988 Q1	*3.4*	*1.1*	*1.7*	*2.3*	*3.0*	*6.1*	..
Q2	*3.4†*	*1.2†*	*1.7†*	*1.4*	*3.0*	*4.3*	..
Q3	*3.3*	*1.2*	*1.7*	*1.0*	*2.7*	*5.6*	..
Q4	*3.1*	*1.2*	*1.6*	*0.5*	*0.9*	*5.1*	..
1989 Q1	*3.0*	*1.0*	*1.4*	*0.4*	*0.7*	*5.7*	..
Q2	*2.9*	*0.5*	*0.8*	*-0.2*	*-0.7*	*5.1*	..
Q3	*2.6*	*0.1*	*0.5*	*-0.5*	*0.1*	*2.8*	..
Q4	..	*-0.4*	*0.1*	..	*2.0*	*3.0*	..

1 Comprises employees in employment, the self-employed and HM Forces.
2 The ratios do not take into account part-time working or hours of work.
3 A revised index of output per hour in manufacturing industries will be published next month incorporating the revised employment data now available.

Sources: Department of Employment; Central Statistical Office


Output per person employed
1985=100
Whole economy
Gross domestic product
(output based)
Gross domestic product
per person employed
125
120
115
110
105
100
95
90
1984
1985
1986
1987
1988
1989


Manufacturing
Output per
person employed
Monthly figures
Output
125
120
115
110
105
100
95
90
1984
1985
1986
1987
1988
1989

21 National employment and unemployment [1]

	Workforce[2,3] (thousands)	Workforce in employment[2,3,4] (thousands)	Employees in employment[2,3,4] (thousands)	Unemployed[5] Total (thousands)	Unemployed[5] Percentage of workforce[6]	Vacancies at job centres+[7] (thousands)	Employees in employment (GB) (thousands) Manufacturing industry	Employees in employment (GB) (thousands) Production industry	Total unemployed[5] (thousands) (NSA)
	DYDD	DYDC	BCAJ	BCJD	BCJE	DPCB	BCHK	DYCP	BCJA
1983	26 634	23 613	21 054	2 790.5	*10.4*	137.3	5 431	6 070	3 104.6
1984	27 309	24 226	21 229	2 920.7	*10.7*	150.2	5 316	5 923	3 159.9
1985	27 739	24 527	21 414	3 035.7	*10.9*	162.1	5 269	5 851	3 271.3
1986	27 871	24 553	21 379	3 107.2	*11.2*	188.8	5 138	5 673	3 289.1
1987	28 057	25 065	21 575	2 822.3	*10.3*	235.4	5 064	5 563	2 953.4
1988	28 334†	25 909†	22 265†	2 294.5	*8.3*	248.6	5 131†	5 610†	2 370.4
1989	28 566	26 754	22 739	1 800.6	*6.4*†	225.6	5 143	5 607	1 800.4
1987 Q2	28 057	25 065	21 575	2 900.5	*10.6*	228.3	5 064	5 563	2 999.6
Q3	28 169	25 333	21 740	2 765.8	*10.1*	240.5	5 074	5 573	2 880.8
Q4	28 242	25 562	21 956	2 612.3	*9.5*	257.0	5 096	5 593	2 710.9
1988 Q1	28 305	25 739	22 125	2 486.1	*8.9*	251.7	5 122	5 609	2 659.9
Q2	28 334†	25 909†	22 265†	2 363.6	*8.5*	255.6	5 131†	5 610†	2 434.6
Q3	28 425	26 168	22 435	2 228.2	*8.0*	246.0	5 148	5 628	2 309.6
Q4	28 390	26 347	22 513	2 100.2	*7.6*	241.4	5 163	5 641	2 077.4
1989 Q1	28 530	26 611	22 674	1 951.0	*7.0*	228.6	5 169	5 639	2 017.6
Q2	28 566	26 754	22 739	1 834.7	*6.5*†	222.4	5 143	5 607	1 809.7
Q3	28 650	26 995	22 893	1 742.5	*6.3*	220.3	5 154	5 610	1 738.5
Q4	..	..	..	1 674.0	*5.9*	206.5	5 142	5 601	1 635.8
1990 Q1	..	..	..	..	*5.7*	..	..	..	..
1987 Dec	..	..	..	2 568.6	*9.2*	254.6	5 096	5 593	2 695.8
1988 Jan	..	..	..	2 519.4	*8.9*	252.6	5 110	5 606	2 722.2
Feb	..	..	..	2 485.0	*8.8*	251.2	5 119	5 611	2 665.5
Mar	..	..	..	2 453.9	*8.7*	251.2	5 122	5 609	2 592.1
Apr	..	..	..	2 402.9	*8.5*	256.8	5 124	5 604	2 536.0
May	..	..	..	2 363.8	*8.4*	256.3	5 130†	5 609†	2 426.9
Jun	..	..	..	2 324.1	*8.2*	253.6	5 131	5 610	2 340.8
Jul	..	..	..	2 267.3	*8.0*	250.3	5 143	5 622	2 326.7
Aug	..	..	..	2 225.6	*7.9*	245.2	5 147	5 627	2 291.2
Sep	..	..	..	2 191.7	*7.8*	242.4	5 148	5 628	2 311.0
Oct	..	..	..	2 157.9	*7.6*	244.8	5 148	5 626	2 118.9
Nov	..	..	..	2 105.2	*7.5*	241.5	5 157	5 635	2 066.9
Dec	..	..	..	2 037.4	*7.2*	237.8	5 163	5 641	2 046.5
1989 Jan	..	..	..	1 987.8	*7.0*	230.9	5 171	5 648	2 074.3
Feb	..	..	..	1 948.7	*6.9*	229.9	5 171	5 646	2 018.2
Mar	..	..	..	1 916.6	*6.8*	224.9	5 169	5 639	1 960.2
Apr	..	..	..	1 858.0	*6.6*	223.2	5 157	5 625	1 883.6
May	..	..	..	1 835.8	*6.5*	219.5	5 146	5 613	1 802.5
Jun	..	..	..	1 810.3	*6.4*	224.4	5 143	5 607	1 743.1
Jul	..	..	..	1 787.2	*6.3*	220.6	5 141	5 602	1 771.4
Aug	..	..	..	1 745.3	*6.2*	219.5	5 161	5 621	1 741.1
Sep	..	..	..	1 694.3	*6.0*	220.7	5 154	5 610	1 702.9
Oct	..	..	..	1 674.9	*5.9*	214.6	5 147	5 604	1 635.8
Nov	..	..	..	1 652.0	*5.9*	209.5	5 146	5 603	1 612.4
Dec	..	..	..	1 634.6†	*5.8*	195.4	5 142	5 601	1 639.0
1990 Jan	..	..	..	1 612.1	*5.7*†	199.3†	5 132	5 590	1 687.0†
Feb	..	..	..	1 640.1	*5.6*	198.7	..	..	1 675.7

1 Unemployment figures do not include students registered for temporary employment during a current vacation.

2 The workforce consists of the workforce in employment and the unemployed (claimants); the workforce in employment comprises employees in employment, the self-employed, HM Forces and participants in work-related government training programmes. See *Employment Gazette* August 1988, page S6.

3 Estimates of employees in employment from December 1987 onwards include an allowance based on the Labour Force Survey to compensate for persistent undercounting in the regular sample enquiries (see *Employment Gazette*, October 1989, p. 560). For all dates, individuals with two jobs as employees of different employers are counted twice.

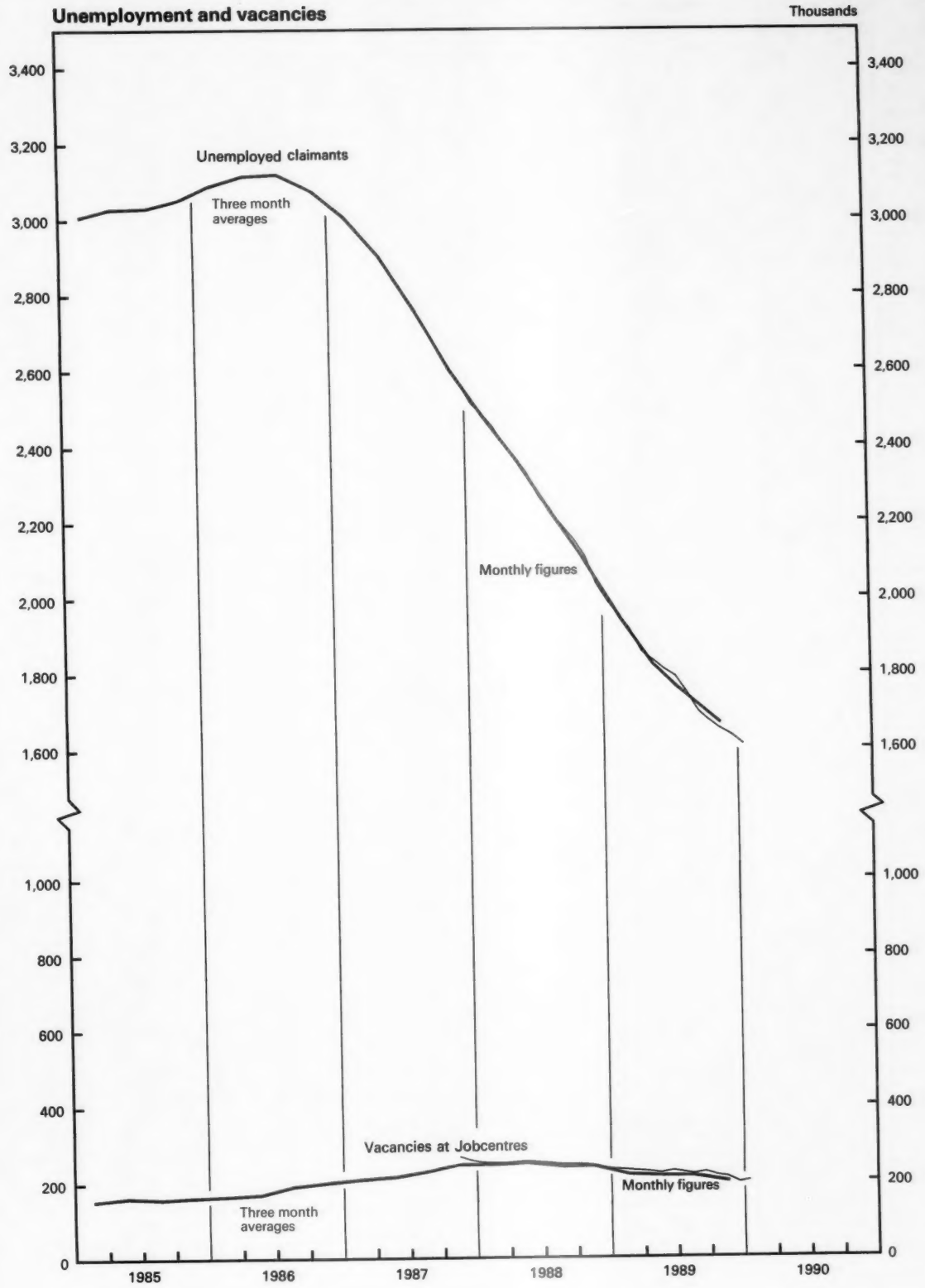
4 Annual estimates relate to mid-year. Figures for the four quarters relate to March, June, September and December.

5 Unadjusted unemployment figures have been affected by changes in the coverage. The seasonally adjusted figures however, as given in this table, are estimated on the current basis, allowing for the discontinuities, and are therefore recommended for the purposes of assessing trends. The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See page 660 of the December 1988 *Employment Gazette*. See also page 422 of the October 1986 edition for the list of previous discontinuities taken into account.)
Note: Quarter figures relate to January, April, July and October.

6 The denominator used to calculate unemployment rates is the workforce - see footnote 2.

7 Vacancies notified to job centres and remaining unfilled.

Source: Department of Employment


Unemployment and vacancies
Thousands
3,400
3,200
3,000
2,800
2,600
2,400
2,200
2,000
1,800
1,600
1,000
800
600
400
200
0
Unemployed claimants
Three month averages
Monthly figures
Vacancies at Jobcentres
Three month averages
Monthly figures
1985
1986
1987
1988
1989
1990

22 Regional unemployment rates [1]

Percentages

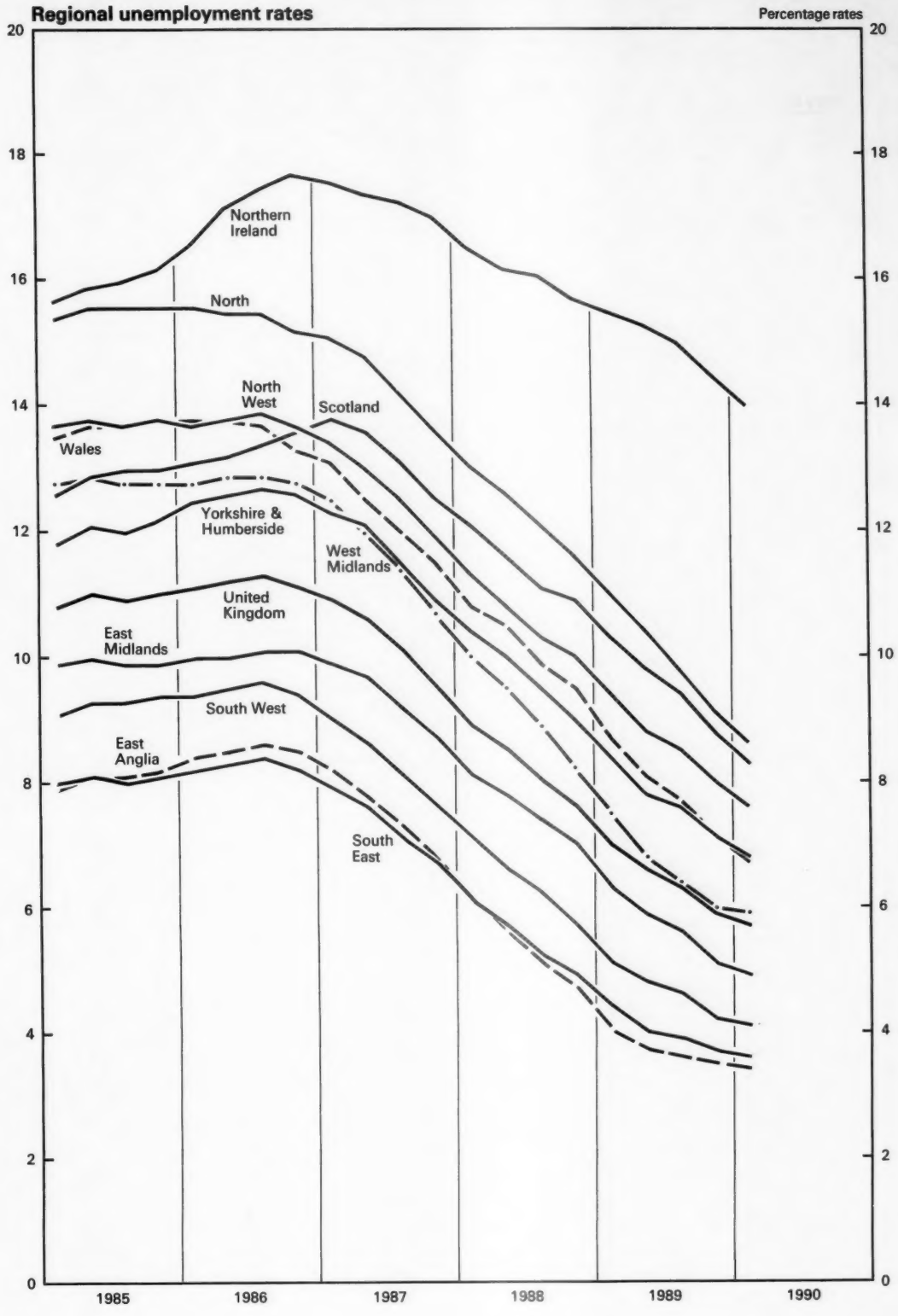
	North	Yorkshire and Humberside	East Midlands	East Anglia	South East	South West	West Midlands
	DPBH	DPBI	DPBJ	DPBK	DPBL	DPBM	DPBN
1984 Q1	14.7	11.4	9.5	7.8	7.5	8.7	12.6
Q2	15.0	11.5	9.7	7.8	7.6	8.8	12.6
Q3	15.3	11.7	9.9	7.9	7.8	9.0	12.7
Q4	15.6	12.0	10.1	8.0	7.9	9.3	12.9
1985 Q1	15.4	11.8	9.9	7.9	8.0	9.1	12.8
Q2	15.6	12.1	10.0	8.1	8.1	9.3	12.9
Q3	15.6	12.0	9.9	8.1	8.0	9.3	12.8
Q4	15.6	12.2	9.9	8.2	8.1	9.4	12.8
1986 Q1	15.6	12.5	10.0	8.4	8.2	9.4	12.8
Q2	15.5	12.6	10.0	8.5	8.3	9.5	12.9
Q3	15.5	12.7	10.1	8.6	8.4	9.6	12.9
Q4	15.2	12.6	10.1	8.5	8.2	9.4	12.8
1987 Q1	15.1	12.3	9.9	8.2	7.9	9.0	12.5
Q2	14.8	12.1	9.7	7.8	7.6	8.6	12.0
Q3	14.2	11.5	9.2	7.3	7.1	8.1	11.4
Q4	13.6	10.9	8.7	6.8	6.7	7.6	10.7
1988 Q1	13.0	10.4	8.1	6.1	6.1	7.1	10.0
Q2	12.6	10.0	7.8	5.6	5.7	6.6	9.4†
Q3	12.1	9.5	7.4	5.1	5.2	6.2	8.8
Q4	11.5†	9.1	7.0	4.7	4.9	5.7	8.2
1989 Q1	11.2	8.5†	6.3	3.9†	4.3†	5.0†	7.5
Q2	10.6	7.9	5.8†	3.6	4.0	4.7	6.8
Q3	10.0	7.6	5.6	3.6	3.8	4.5	6.5
Q4	9.2	7.2	5.1	3.4	3.6	4.1	6.1
1990 Q1	8.7	6.9	4.9	3.4	3.6	4.0	5.9

	North West	Wales	Scotland	Great Britain	Northern Ireland	United Kingdom
	DPBO	DPBP	DPBQ	DPAJ	DPBR	BCJE
1984 Q1	13.5	12.8	12.4	10.3	15.8	10.5
Q2	13.5	13.0	12.4	10.4	15.9	10.6
Q3	13.5	13.2	12.6	10.6	15.9	10.7
Q4	13.7	13.5	12.7	10.8	15.8	10.9
1985 Q1	13.7	13.5	12.6	10.7	15.7	10.8
Q2	13.8	13.7	12.9	10.8	15.9	11.0
Q3	13.7	13.7	13.0	10.8	16.0	10.9
Q4	13.8	13.8	13.0	10.9	16.2	11.0
1986 Q1	13.7	13.8	13.1	10.9	16.6	11.1
Q2	13.8	13.8	13.2	11.1	17.2	11.2
Q3	13.9	13.7	13.4	11.1	17.5	11.3
Q4	13.7	13.3	13.6	11.0	17.7	11.1
1987 Q1	13.4	13.1	13.8	10.7	17.6	10.9
Q2	13.0	12.5	13.6	10.4	17.4	10.6
Q3	12.5	12.0	13.1	9.9	17.3	10.1
Q4	11.9	11.5	12.5	9.3	17.0	9.5
1988 Q1	11.3	10.8	12.0†	8.7	16.5	8.9
Q2	10.8	10.5	11.6	8.3	16.2	8.5
Q3	10.3	9.9	11.1	7.8	16.1	8.0
Q4	9.9†	9.5	10.9	7.4	15.7	7.6
1989 Q1	9.3	8.4†	10.2	6.8	15.7†	7.0
Q2	8.7	7.8	9.7	6.3†	15.5	6.5†
Q3	8.4	7.4	9.3	6.0	15.2	6.3
Q4	7.9	6.8	8.8	5.7	14.7	5.9
1990 Q1	7.5	6.5	8.3	5.4	14.2	5.7

Note: Figures shown are at January, April, July and October respectively.

1 The seasonally adjusted figures now relate only to claimants aged 18 or over in order to maintain the consistent series, available back to 1971 (1974 for the regions), allowing for the effect of the change in benefit regulations for under 18 year olds from September 1988. (See page 660 of the December 1988 *Employment Gazette*. See also page 422 of the October 1986 edition for the list of previous discontinuities taken into account.) The denominators used to calculate unemployment rates are the sum of the appropriate mid-year estimates of employees in employment and the unemployed, the self-employed, HM Forces and participants in work-related government training programmes. Recent figures are based on mid-1988 estimates.

Source: Department of Employment


Regional unemployment rates
Percentage rates
20
18
16
14
12
10
8
6
4
2
0
Northern Ireland
North
North West
Scotland
Wales
Yorkshire & Humberside
West Midlands
United Kingdom
East Midlands
South West
East Anglia
South East
1985
1986
1987
1988
1989
1990

23 Average earnings

	Average earnings (GB)[1]								Wages and salaries per unit of output 1985 = 100	
	Whole economy	Underlying trend[2]	Production industries	Underlying trend[2]	Manufacturing industry	Underlying trend[2]	Service industries	Underlying trend[2]	Whole economy[3]	Manufacturing industry
1985=100	DNGA		DNGC		DNGE		DNGG		DJDO	DMBG
1984	92.2		89.8		91.7		94.0		94.8	94.4
1985	100.0		100.0		100.0		100.0		100.0	100.0
1986	107.9		108.0		107.7		107.7		105.5†	104.5
1987	116.3		116.7		116.3		116.0		109.8	105.9
1988	126.4		126.5		126.2		126.2		117.3	109.0†
1989	..		..		..		..		..	113.9
1986 Q1									103.9†	104.9
Q2									105.3	104.7†
Q3									106.0	104.4
Q4									106.9	103.8
1987 Q1									107.7	105.9
Q2									109.0	104.6
Q3									110.2	105.5
Q4									112.4	107.3
1988=100	DNAB		DNAF		DNAD		DNDV			
1988	100.0†		100.0†		100.0†		100.0†		117.3†	109.0†
1989	109.1		109.1		108.7		108.9		..	113.9
1988 Q1	97.2		96.5		96.8		97.4		114.3†	108.0
Q2	98.5		99.4		99.2		98.6		116.1	109.2†
Q3	100.5		100.7		100.5		100.1		117.8	108.0
Q4	103.8		103.4		103.3		103.9		121.1	110.8
1989 Q1	106.3		105.3		105.4		106.3		123.5	111.2
Q2	107.8		108.2		108.0		107.8		126.6	113.2
Q3	109.6		110.1†		109.7		108.8		129.8	114.6
Q4	112.8†		112.5		111.8†		112.5†		..	116.5
1987 Jun									..	105.1†
Jul									..	105.7
Aug									..	104.1
Sep									..	106.8
Oct									..	106.4
Nov									..	107.5
Dec									..	108.2
		DNEM		DNEN		DNEO		DNDX		
1988 Jan	96.5	8.50	96.1	8.50	96.2	8.50	96.6	8.50	..	106.8†
Feb	96.9	8.50	95.9	8.50	96.3	8.50	97.1	8.50	..	109.0
Mar	98.2	8.50	97.6	8.25	97.9	8.50	98.6	8.50	..	108.2
Apr	97.9	8.50	99.0	8.50	99.1	8.75	97.6	8.50	..	110.6
May	98.5	8.50	99.9	8.50	99.2	8.75	98.3	8.50	..	109.1
Jun	99.2	8.75	99.2	9.00	99.3	9.00	99.8	8.75	..	108.0
Jul	100.2	9.00	100.2	9.00	100.0	9.00	100.0	9.00	..	107.9
Aug	100.1	9.25	100.6	9.00	100.4	8.75	99.7	9.25	..	108.3
Sep	101.1	9.25	101.4	8.75	101.2	8.75	100.5	9.25	..	107.8
Oct	102.2	9.00	102.6	8.75	102.2	8.50	101.7	9.00	..	109.9
Nov	103.3	8.75	103.1	8.75	103.1	8.75	103.7	8.75	..	110.5
Dec	105.8	8.75	104.6	9.00	104.6	8.75	106.3	8.75	..	112.0
1989 Jan	105.4	9.00	104.6	8.75	104.7	8.75	105.5	9.00	..	110.1
Feb	106.1	9.25	105.6	8.75	105.8	8.50	105.6	9.25	..	112.1
Mar	107.3	9.50	105.8	8.75	105.6	8.75	107.8	9.50	..	111.5
Apr	107.4	9.25	108.0	8.75	108.2	8.50	107.3	9.25	..	113.9
May	107.6	9.00	108.5	8.75	107.9	8.75	107.5	9.00	..	112.7
Jun	108.4	8.75	108.2	8.75	108.0	8.50	108.7	8.50	..	112.9
Jul	109.1	8.75	109.5	9.00	109.2	8.50†	108.4	8.25	..	114.0
Aug	108.9	8.75	110.0	9.25	109.3	8.75	107.8	8.50	..	113.9
Sep	110.9	9.00	110.8†	9.00†	110.5	8.75	110.3†	8.75	..	116.0
Oct	112.2	9.25	111.8	9.25	111.0	9.00	112.2	9.00†	..	115.3
Nov	112.8†	9.25	112.2	9.00	111.6	8.75	112.7	9.25	..	116.2
Dec	113.5	9.25†	113.5	9.00	112.9†	8.50	112.7	9.00	..	118.0
1990 Jan	115.0	9.25	113.4	9.00	112.9	8.50	115.1	9.25	..	118.1

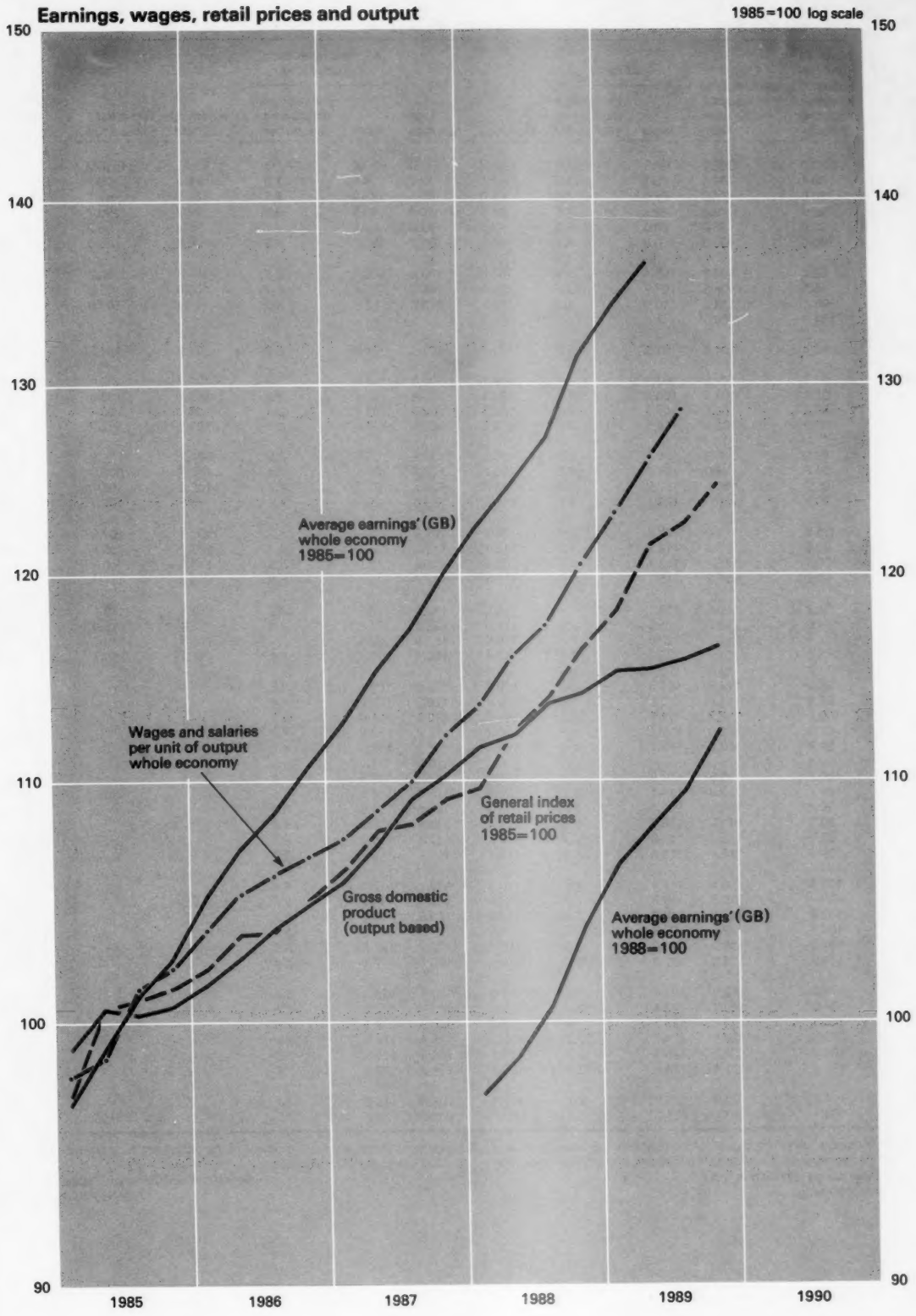
Note: For a detailed account of the revised Average Earnings Index based on 1988=100, please see the article in *Employment Gazette*, November 1989, p.606-612.

1 The seasonal adjustment factors currently used are based on data up to January 1988.

2 Estimated to the nearest quarter of one percentage point. For the derivation of recent underlying changes see 'Employment Topics' item in *Employment Gazette*, December 1989.

3 The method for calculating whole economy unit wage costs is described in *Employment Gazette*, May 1986.

Sources: Department of Employment; Central Statistical Office


Earnings, wages, retail prices and output
1985=100 log scale
150
140
130
120
110
100
90
Average earnings' (GB) whole economy 1985=100
Wages and salaries per unit of output whole economy
General index of retail prices 1985=100
Gross domestic product (output based)
Average earnings' (GB) whole economy 1988=100
1985
1986
1987
1988
1989
1990

24 Prices

1985 = 100

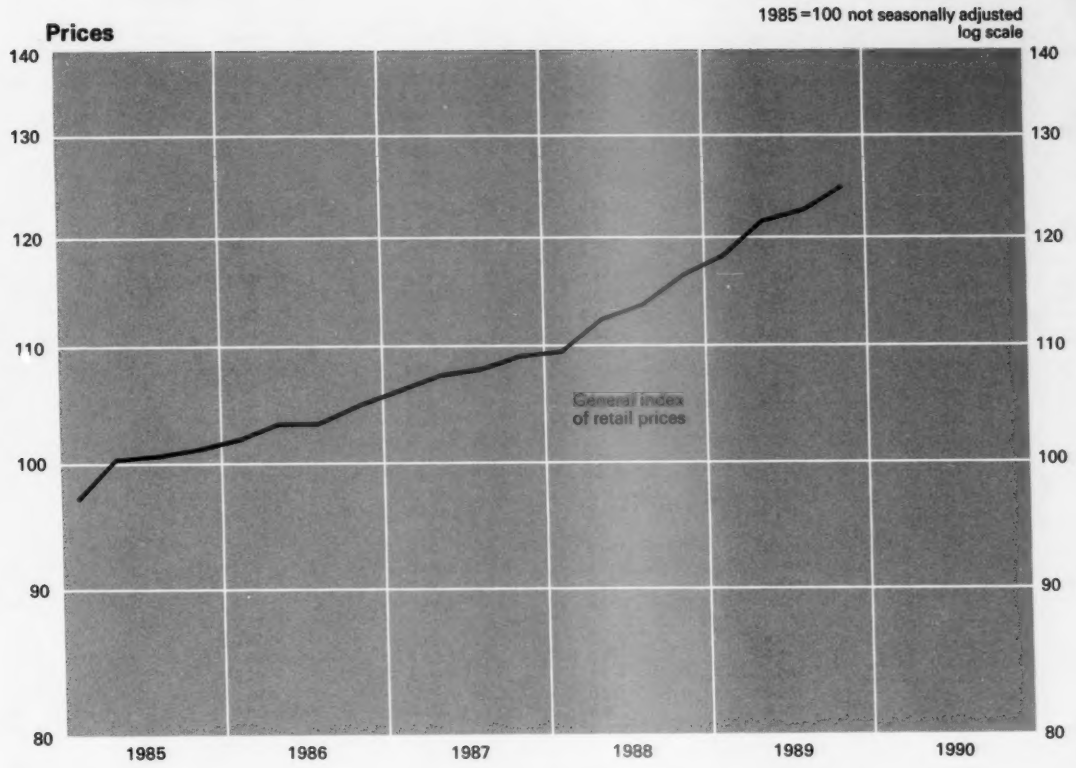
	Producer price index		General index of retail prices[1] (NSA)						Pensioner price index[2] (NSA)		
			All items				All items other than seasonal food				
	Materials and fuel purchased by manufacturing industry	Output: all manufactured products: home sales (NSA)	Index	Percentage increase on year earlier	Total food	Total non-food	Index	Percentage increase on year earlier	One-person household	Two-person household	Purchasing power of the pound[3] (NSA)
	DZDQ	DZCV	FRAG	FRAN	FRAH	FRAI	FRAK	FRAO	FRAL	FRAM	FJAK
1981	80.1	79.1	79.1	*11.9*	82.5	78.2	79.1	*11.9*	79.5	79.5	127
1982	86.0	85.2	85.9	*8.6*	89.0	85.1	85.8	*8.5*	86.9	86.7	117
1983	91.9	89.8	89.8	*4.6*	91.8	89.4	89.8	*4.7*	90.8	90.7	111
1984	99.0	95.0	94.3	*5.0*	97.0	93.6	94.1	*4.7*	95.4	95.3	106
1985	100.0	100.0	100.0	*6.1*	100.0	100.0	100.0	*6.3*	100.0	100.0	100
1986	92.4	104.3	103.4	*3.4*	103.3	103.5	103.3	*3.3*	103.2	103.2	97
1987	95.3	108.3	107.7	*4.2*	106.4	108.0	107.6	*4.1*	105.6	105.8	93
1988	98.4†	113.2	113.0	*4.9*	110.1	113.6	112.9	*5.0*	109.5	109.8	88
1989	104.0	119.0†	..	..	..	..	..	..	..	..	82
1985 Q4	96.4	101.4	101.3	*5.5*	100.4	101.6	101.4	*5.6*	101.2	101.2	99
1986 Q1	94.5	102.8	102.1	*4.9*	102.1	102.0	102.0	*5.0*	102.2	102.1	98
Q2	91.7†	104.2	103.4	*2.8*	103.9	103.2	103.1	*2.7*	103.4	103.3	97
Q3	90.4	104.6	103.5	*2.6*	103.5	103.5	103.4	*2.4*	103.4	103.4	97
Q4	92.9	105.5	104.8	*3.4*	103.6	105.1	104.8	*3.3*	103.8	103.9	95
1987 Q1	93.9	106.9	106.1	*3.9*	105.8	106.2	105.9	*3.8*	104.7	104.8	94
Q2	94.6	108.0	107.7	*4.2*	107.2	107.8	107.4	*4.1*	105.7	105.9	93
Q3	96.7	108.6	107.9	*4.3*	105.8	108.4	107.9	*4.4*	105.4	105.7	93
Q4	96.1	109.8	109.1	*4.1*	107.1	109.6	109.1	*4.1*	106.5	106.9	92
1988 Q1	95.6	111.0	109.6	*3.5*	108.9	109.9	109.4	*3.3*	107.4	107.8	91
Q2	98.0	112.6	112.3	*4.3*	110.1	112.7	112.1	*4.4*	109.2	109.5	89
Q3	100.1	113.9	113.8	*5.5*	109.9	114.6	113.9	*5.5*	110.0	110.3	88
Q4	99.8	115.2	116.2	*6.5*	111.3	117.2	116.4	*6.6*	113.3	111.6	86
1989 Q1	101.7	116.8	118.1	*7.7*	113.5	119.0	118.1	*7.9*	112.8	113.1	85
Q2	104.6	118.2	121.5	*8.2*	116.0	122.6	121.5	*8.4*	114.9	115.4	82
Q3	104.4	119.7†	122.6	*7.7*	116.5	123.9	122.9	*7.8*	115.9	116.3	82
Q4	105.6	121.2	125.0	*7.6*	119.4	126.2	125.2	*7.6*	118.2	118.5	80
1988 Feb	95.5†	111.0	109.6	*3.3*	109.1	109.9	109.4	*3.3*	..	..	91.0
Mar	95.8	111.4	110.1	*3.5*	109.4	110.3	109.8	*3.4*	..	..	91.0
Apr	96.4	112.2	111.9	*3.9*	109.9	112.2	111.6	*4.0*	..	..	89.0
May	97.9	112.6	112.3	*4.2*	110.2	112.6	112.0	*4.3*	..	..	89.0
Jun	99.7	113.0	112.7	*4.6*	110.3	113.1	112.6	*4.7*	..	..	89.0
Jul	100.7	113.5	112.8	*4.8*	109.5	113.5	112.9	*4.9*	..	..	89.0
Aug	100.1	113.9	114.1	*5.7*	109.9	114.8	114.1	*5.8*	..	..	88.0
Sep	99.4	114.3	114.6	*5.9*	110.3	115.5	114.8	*5.9*	..	..	87.0
Oct	99.2	114.9	115.8	*6.4*	110.4	116.9	115.9	*6.5*	..	..	86.0
Nov	99.9	115.2	116.3	*6.4*	111.3	117.4	116.5	*6.5*	..	..	86.0
Dec	100.4	115.4	116.6	*6.8*	112.1	117.5	116.7	*7.0*	..	..	86.0
1989 Jan	101.3	116.4	117.4	*7.5*	113.1	118.2	117.4	*7.6*	..	..	85.0
Feb	100.9	116.8	118.2	*7.8*	113.4	119.1	118.1	*8.0*	..	..	85.0
Mar	102.8	117.2	118.7	*7.9*	114.0	119.6	118.7	*8.1*	..	..	84.0
Apr	104.1	117.8	120.8	*8.0*	115.4	121.9	120.8	*8.2*	..	..	83.0
May	104.9	118.3	121.6	*8.3*	116.1	122.7	121.5	*8.5*	..	..	82.0
Jun	104.8	118.6	122.0	*8.3*	116.5	123.1	122.1	*8.4*	..	..	82.0
Jul	104.0	119.2†	122.1	*8.2*	115.9	123.4	122.4	*8.4*	..	..	82.0
Aug	104.0	119.7	122.4	*7.3*	116.4	123.7	122.7	*7.5*	..	..	82.0
Sep	105.1	120.2	123.3	*7.6*	117.2	124.5	123.5	*7.6*	..	..	80.5
Oct	105.4	120.8	124.2	*7.3*	118.3	125.4	124.5	*7.4*	..	..	80.5
Nov	105.9	121.2	125.3	*7.7*	119.5	126.5	125.5	*7.8*	..	..	79.8
Dec	105.4	121.5	125.6	*7.7*	120.5	126.7	125.6	*7.7*	..	..	79.6
1990 Jan	104.7	122.6	126.3	*7.7*	122.1	127.2	126.3	*7.6*	..	..	79.2
Feb	103.7	123.1	127.1	*7.5*	123.2	128.0	127.0	*7.5*	..	..	78.7†

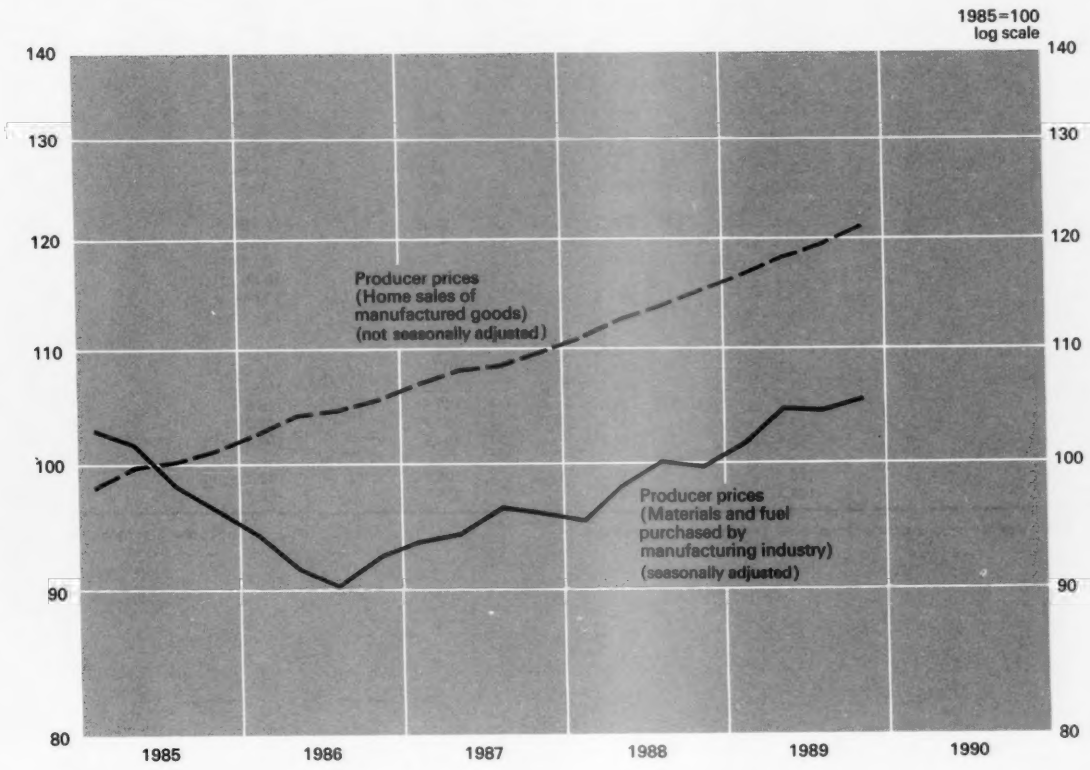
1 The index numbers given here are for comparative purposes only and should not be regarded as accurate to the last digit shown. The official Retail Prices Index series is shown in Table 1.

2 All items except housing.

3 Movements in the purchasing power of the pound are based on movements in the General index of retail prices.

Sources: Department of Trade and Industry; Central Statistical Office


Prices
1985=100 not seasonally adjusted
log scale
140
130
120
110
100
90
80
General index
of retail prices
1985
1986
1987
1988
1989
1990


1985=100
log scale
140
130
120
110
100
90
80
Producer prices
(Home sales of
manufactured goods)
(not seasonally adjusted)
Producer prices
(Materials and fuel
purchased by
manufacturing industry)
(seasonally adjusted)
1985
1986
1987
1988
1989
1990

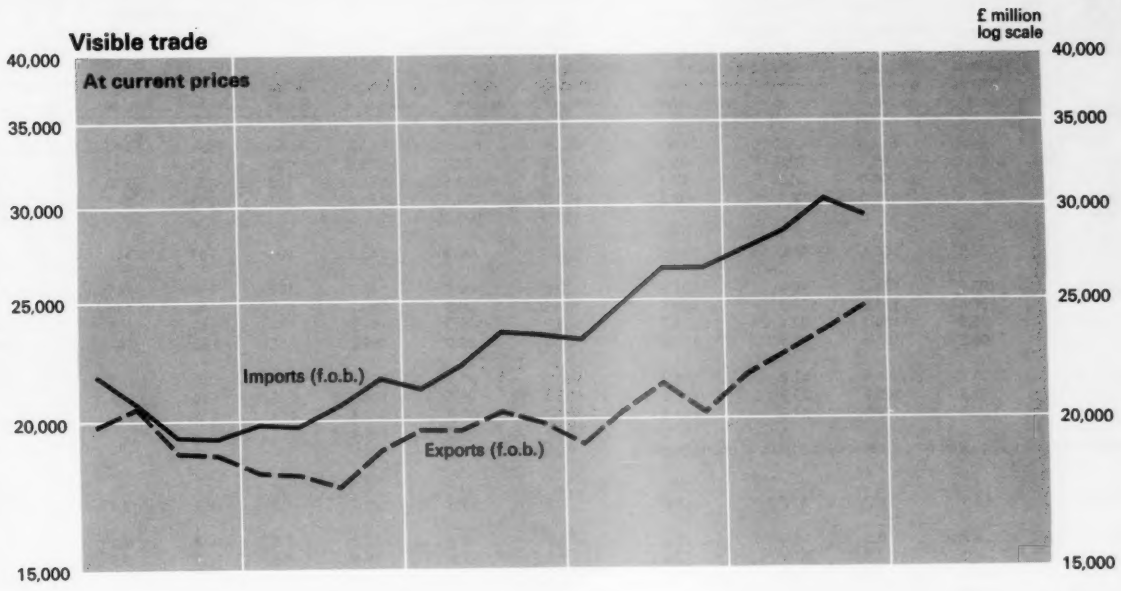
25 Visible trade (on a balance of payments basis)

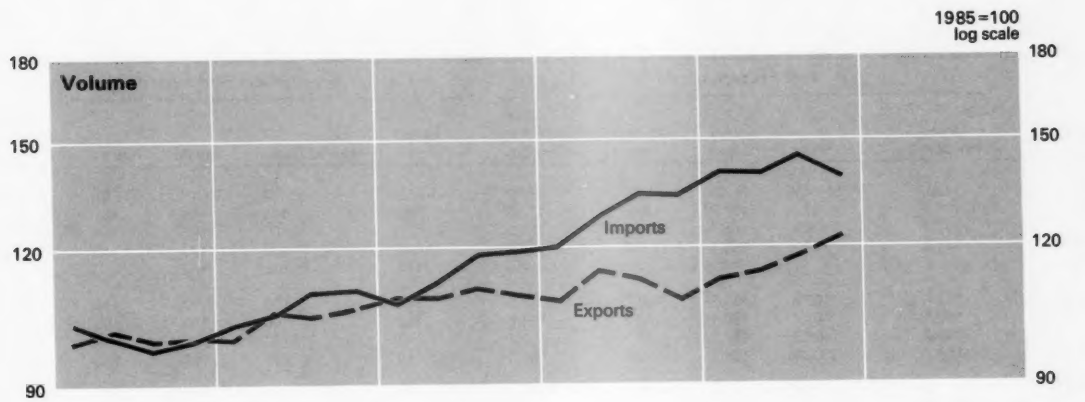
1985 = 100

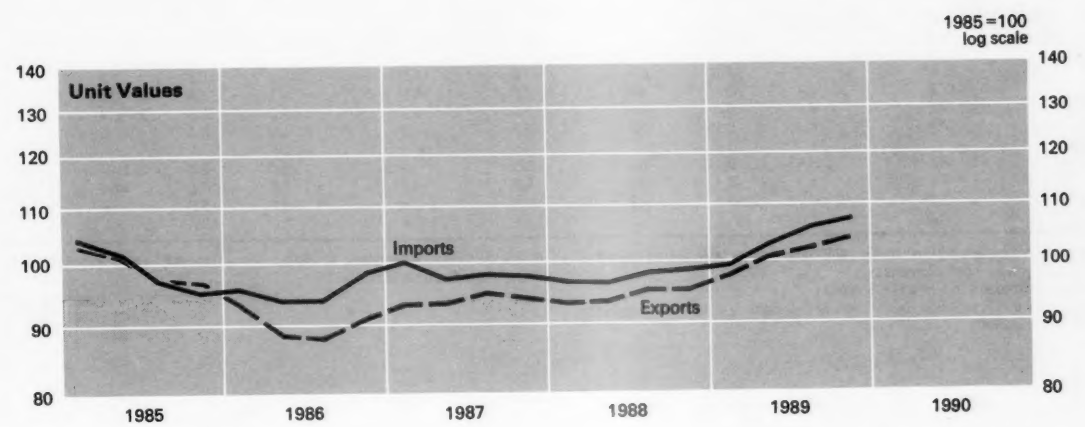
	Volume indices		Unit value indices (NSA)		
	Exports	Imports	Exports	Imports	Terms of trade[1]
	CGTR	CGTS	CGTO	CGTP	CGTQ
1982	85.6	80.1	81.4	79.9	101.9
1983	87.6	87.0	88.0	87.6	100.5
1984	94.7	96.9	95.0	95.3	99.6
1985	100.0	100.0	100.0	100.0	100.0
1986	104.0	107.1	90.4	95.7	94.5
1987	109.2†	114.5	94.2	98.5	95.7
1988	110.9	129.8†	94.5	97.6	96.8
1989	117.0	139.9	101.2†	103.8†	97.5†
1987 Q1	109.2†	108.0†	93.5	100.1	93.4
Q2	107.3	112.4	93.9	97.8	96.1
Q3	110.2	117.9	95.1	98.2	96.8
Q4	109.9	119.9	94.4	97.8	96.5
1988 Q1	107.4	121.3	93.3	96.9	96.2
Q2	113.6	128.1	93.9	96.7	97.1
Q3	112.8	134.2	95.6	98.2	97.3
Q4	109.7	135.5	95.4	98.7	96.7
1989 Q1	112.8	140.5	97.8	99.4†	98.4†
Q2	113.5	140.2	100.8	102.7	98.1
Q3	117.2	141.0	102.2†	105.4	97.0
Q4	124.4	138.0	103.9	107.5	96.6
1987 Mar	107.8†	108.5†	94.0	100.2	93.8
Apr	108.8	111.5	94.0	98.3	95.6
May	106.1	112.3	93.7	97.6	96.0
Jun	107.0	113.4	94.1	97.4	96.7
Jul	108.4	117.1	94.1	98.0	96.0
Aug	112.9	119.3	95.7	98.4	97.3
Sep	109.3	117.3	95.6	98.3†	97.2
Oct	109.0	116.0	95.2†	98.7	96.5
Nov	111.6	120.3	94.5	98.0	96.4
Dec	109.1	123.4	93.4	96.9	96.4
1988 Jan	107.6	117.0	92.8	96.3	96.3
Feb	106.1	121.9	93.6	97.2	96.3
Mar	108.6	124.9	93.4	97.3	96.0
Apr	114.9	124.6	94.1	96.8	97.3
May	111.4	127.8	93.8	96.6	97.2
Jun	114.6	131.9	93.8	96.7	97.0
Jul	110.6	136.8	94.9	98.0	96.9
Aug	112.9	132.1	96.2	98.0	98.2
Sep	114.9	133.7	95.7	98.8	96.9
Oct	108.0	136.1	95.0	98.9	96.1
Nov	109.7	135.1	94.9	98.6	96.3
Dec	111.3	135.2	96.2	98.5	97.6
1989 Jan	116.6	142.5	97.0	98.3	98.7†
Feb	105.9	138.5	97.8	99.5	98.3
Mar	115.8	140.5	98.5	100.4	98.1
Apr	110.9	138.4	100.0	101.6	98.4
May	114.5	140.3	100.4	102.4	98.1
Jun	115.1	142.0	101.9	104.1	97.9
Jul	115.6	138.5	102.2	105.2	97.1
Aug	114.5	141.2	102.2	105.0	97.4
Sep	121.5	143.3	102.3	106.0	96.5
Oct	122.8	139.4	103.5	106.8	96.9
Nov	121.9	140.4	103.7	107.2	96.7
Dec	128.4	134.2	104.5	108.5	96.3
1990 Jan	125.3	150.4	105.7	108.5	97.4
Feb	124.3	140.2	105.7	108.7	97.2

1 Unit value index for exports expressed as a percentage of unit value index for imports.

Source: Central Statistical Office.


Visible trade
£ million
log scale
At current prices
40,000
35,000
30,000
25,000
20,000
15,000
Imports (f.o.b.)
Exports (f.o.b.)


1985=100
log scale
Volume
180
150
120
90
Imports
Exports


1985=100
log scale
Unit Values
140
130
120
110
100
90
80
Imports
Exports
1985
1986
1987
1988
1989
1990

26 Measures of UK competitiveness in trade in manufactures

1985 = 100

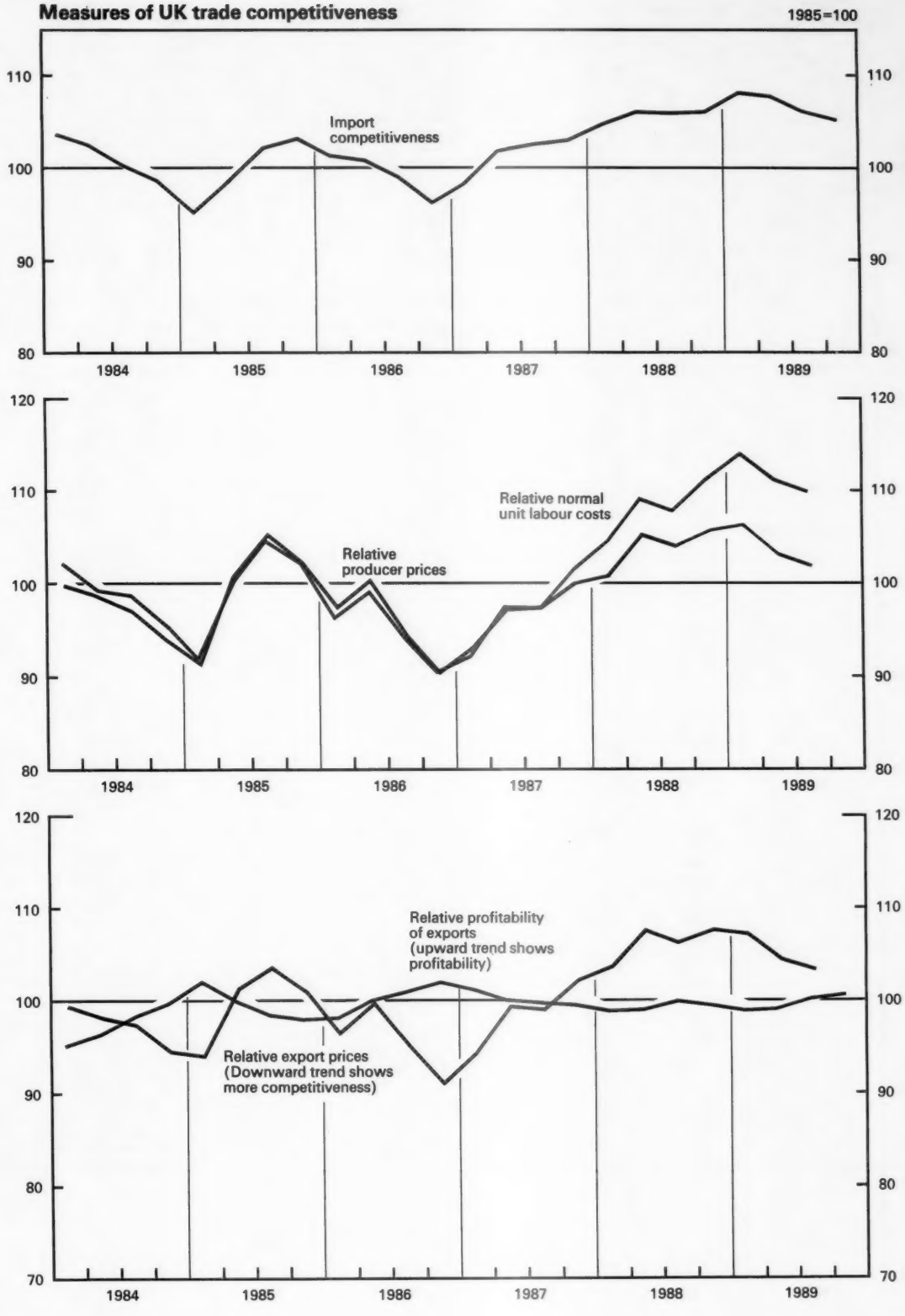
	Summary measures						Export unit value index[2]				
	Relative export prices[1]	Relative producer prices[1]	IMF index of relative unit labour costs[2] Actual	IMF index of relative unit labour costs[2] Normalised	Import price competitiveness[3]	Relative profitability of exports[3]	United Kingdom	United States	Japan	France	Federal Republic of Germany
	FLAA	FLAB	FLAC	FLAD	FLAE	FLAF	FLAG	FLAH	FLAI	FLAJ	FLAK
1986	95.7	95.7	92.9	95.2	99.6	100.7	115.5	103	121	117	133
1987	98.9	96.9	90.3	97.1	101.8	100.5	134.6	106	131	136	156
1988	105.9†	104.0	98.7	108.5	102.9†	99.7	151.5	111	146†	141†	159
1989	..	..	..	..	103.9	100.1†	146.5†	..	..	..	..
1987 Q4	102.5†	100.1	94.0	101.8†	103.3	99.9	145.2	106	137	142	163
1988 Q1	103.7	101.0	96.8	104.9	102.0†	99.2	149.7	107	144	145†	162
Q2	107.6	105.2	100.3	109.5	103.3	99.3	155.2	110	146	144	161
Q3	105.5	104.1	97.4	108.1	103.0	100.3	145.8	114	143	135	151
Q4	106.6	105.9	100.1	111.6	103.2	99.9	155.2	115	150†	141	163
1989 Q1	106.2	106.4	102.2	114.2	106.1	99.1†	152.7†	113	150	140	158†
Q2	103.6	103.2	99.2	111.5	105.0	99.5	144.6	115	144	135	151
Q3	102.8	102.0	97.8	110.2	102.7	100.8	144.4	114	142	137	154
Q4	..	..	..	..	101.7	101.0	144.4	..	..	..	..
Percentage change, quarter on corresponding quarter of previous year											
1987 Q4	*12.6†*	*10.7*	*10.7*	*12.6†*	*7.2*	*-2.3*	*26.2*	*1.0*	*10.5*	*15.4*	*14.8*
1988 Q1	*9.7*	*8.8*	*11.4*	*14.0*	*3.6†*	*-2.5*	*19.2*	*2.9*	*14.3*	*9.0†*	*5.2*
Q2	*8.1*	*8.3*	*10.8*	*12.5*	*1.0*	*-1.1*	*15.6*	*4.8*	*11.5*	*5.9*	*4.5*
Q3	*6.5*	*6.9*	*8.3*	*11.1*	*0.1*	*0.2*	*9.3*	*6.5*	*8.3*	*0.7*	*-1.3*
Q4	*4.0*	*5.8*	*6.5*	*9.6*	*-0.1*	-	*6.9*	*8.5*	*9.5†*	*-0.7*	-
1989 Q1	*2.4*	*5.3*	*5.6*	*8.9*	*4.0*	*-0.1†*	*2.0†*	*5.6*	*4.2*	*-3.4*	*-2.5†*
Q2	*-3.7*	*-1.9*	*-1.1*	*1.8*	*1.6*	*0.2*	*-6.8*	*4.5*	*-1.4*	*-6.3*	*-6.2*
Q3	*-2.6*	*-2.0*	*0.4*	*1.9*	*-0.3*	*0.5*	*-1.0*	-	*-0.7*	*1.5*	*2.0*
Q4	..	..	..	..	*-1.5*	*1.1*	*-7.0*	..	..	..	..

	Producer price index[2]					Unit labour costs index[2]				
	United Kingdom	United States	Japan	France	Federal Republic of Germany	United Kingdom[4]	United States	Japan	France	Federal Republic of Germany
	FLAL	FLAM	FLAN	FLAO	FLAP	FLAQ	FLAR	FLAS	FLAT	FLAU
1986	118.0†	97.8	131.9†	131.0†	132.5†	118	101	146	131	140
1987	137.0	100.4	148.3	153.9	155.9	133	100	165	151	174†
1988	155.5	104.9	165.4	158.0	161.6	148	100	177	148	178
1989	..	..	..	..	..	141†	102†	163†	..	..
1988 Q1	153.7†	102.8	165.5†	163.7†	167.6†	148	100	177	154	186†
Q2	160.1	104.4	168.1	162.2	165.6	153	100	180	153	183
Q3	149.0	105.8	159.3	149.7	152.3	142†	100	169	139	166
Q4	159.2	106.8	168.7	156.2	160.8	148	101	181	145	176
1989 Q1	157.5	108.6	165.3	151.6	156.6	148	102	173	138	169
Q2	148.5	110.4	157.9	147.6	151.0	138	101	162	131	163
Q3	147.2	110.0	154.4	149.4	152.1	138	102	159	132	161
Q4	..	..	..	..	..	138	103†	158†	..	..
Percentage change, quarter on corresponding quarter of previous year										
1988 Q1	*20.9†*	*4.2*	*18.2*	*9.4*	*10.2*	*17.5†*	*-1.0*	*10.6*	*1.3*	*8.8†*
Q2	*17.0*	*4.4†*	*12.7†*	*5.8*	*7.2*	*15.9*	-	*6.5*	*2.0*	*7.0*
Q3	*10.0*	*4.8*	*9.0*	*-1.1†*	-	*9.2*	*1.0*	*5.0*	*-5.4*	*-2.4*
Q4	*7.1*	*4.8*	*6.9*	*-3.2*	*-2.4*	*4.2*	*1.0*	*6.5*	*-6.5*	*-3.8*
1989 Q1	*2.5*	*5.6*	*-0.1*	*-7.4*	*-6.6†*	-	*2.0*	*-2.3*	*-10.4*	*-9.1*
Q2	*-7.2*	*5.7*	*-6.1*	*-9.0*	*-8.8*	*-9.8*	*1.0*	*-10.0*	*-14.4*	*-10.9*
Q3	*-1.2*	*4.0*	*-3.1*	*-0.2*	*-0.1*	*-2.8*	*2.0*	*-5.9*	*-5.0*	*-3.0*
Q4	..	..	..	..	..	*-6.8*	*2.0†*	*-12.7†*	..	..

1 Figures are base weighted using 1985 export data. Downwards movements indicate greater competitiveness.
2 All the indices are in terms of US dollars.
3 Excludes erratics (ships, North Sea installations, aircraft, precious stones and silver bullion).
4 The method for calculating whole economy unit wage costs is described in *Employment Gazette*, May 1986.

Sources: Department of Trade and Industry; Department of Employment; International Monetary Fund

Measures of UK trade competitiveness



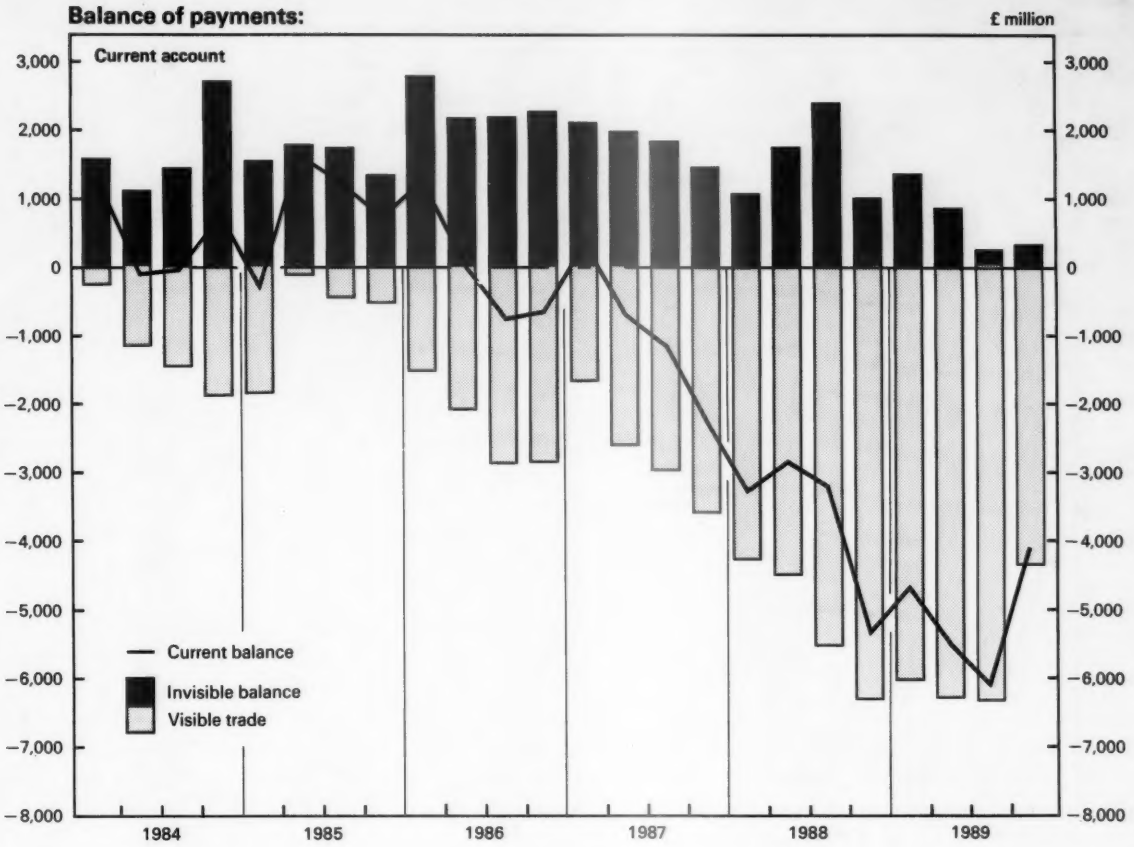
27 Balance of payments: current account

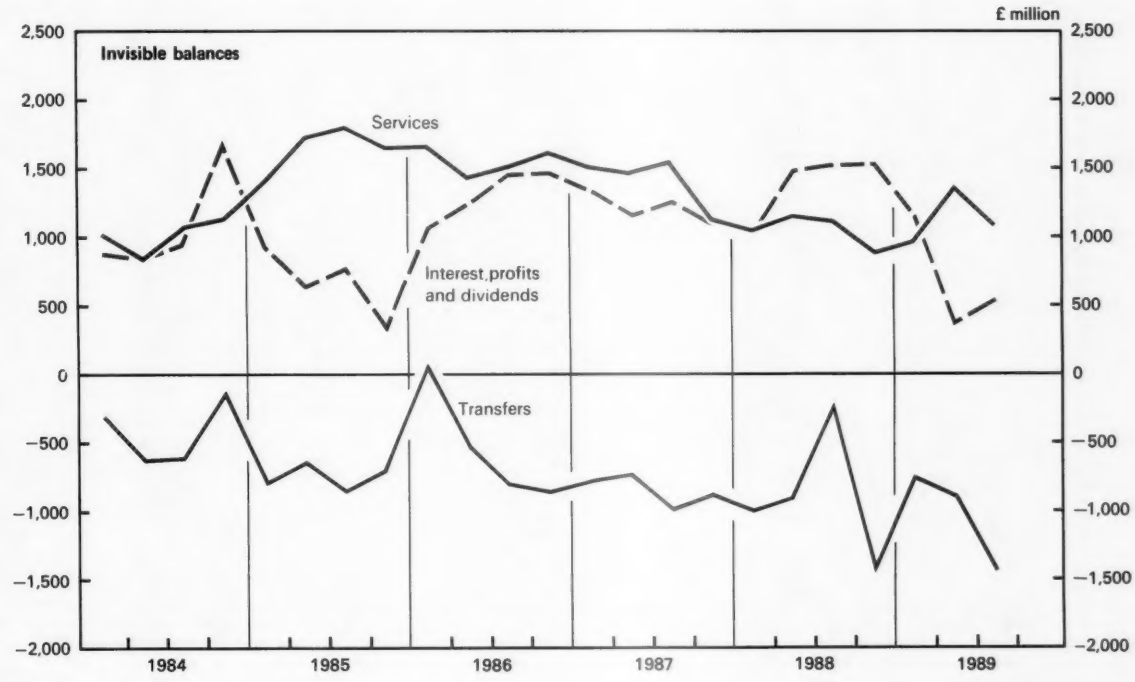
£ million

	Visible trade			Invisibles						
						Balances				
	Exports (f.o.b.)	Imports (f.o.b.)	Balance	Credits	Debits	Services	IPD	Transfers	Total[1]	Current balance
	CGKG	CGHK	AIMA	CGKR	CGHT	AIMC	AIMD	AIME	AIMB	AIMF
1979	40 471†	43 814†	-3 343†	33 330	30 535	3 799	1 205	-2 210	2 794	-549
1980	47 149	45 792	1 357	41 249	39 809	3 653	-228	-1 984	1 441	2 798†
1981	50 668	47 416	3 252	57 322	53 933	3 715	1 222	-1 547	3 390	6 642
1982	55 331	53 421	1 910	65 412	62 714	2 971	1 468	-1 741	2 698	4 608
1983	60 700	62 207	-1 507	65 887	60 584	3 995	2 893	-1 585	5 303	3 796
1984	70 265	75 432	-5 167	77 665	70 542	4 339	4 518	-1 734	7 123	1 956
1985	77 991	81 119	-3 128	80 583	74 290	6 606	2 721	-3 034	6 293	3 165
1986	72 656	82 019	-9 363	77 464†	68 142†	6 250†	5 228†	-2 157†	9 321†	-42
1987	79 446	90 350	-10 904	79 806	73 297	5 664	4 248	-3 402	6 510	-4 394
1988	80 772	101 587	-20 815	88 571	82 774	4 020	5 346	-3 570	5 796	-15 019
1989	92 526	115 638	-23 112	108 530	106 268	3 980	3 008	-4 727	2 261	-20 851
1985 Q1	19 870†	21 770	-1 900†	21 593	20 054	1 405	946	-812	1 539	-361†
Q2	20 488	20 650†	-162	20 456	18 692	1 732	682	-650	1 764	1 602
Q3	18 897	19 385	-488	19 595	17 899	1 801	769	-874	1 696	1 208
Q4	18 736	19 314	-578	18 939	17 645	1 668	324	-698	1 294	716
1986 Q1	18 191	19 714	-1 523	19 274†	16 464†	1 677†	1 066†	67†	2 810†	1 287
Q2	17 950	20 030	-2 080	18 876	16 738	1 449	1 233	-544	2 138	58
Q3	17 620	20 515	-2 895	19 418	17 240	1 520	1 461	-803	2 178	-717
Q4	18 895	21 760	-2 865	19 896	17 700	1 604	1 468	-877	2 195	-670
1987 Q1	19 686	21 366	-1 680	19 792	17 823	1 524	1 211	-766	1 969	289
Q2	19 470	22 092	-2 622	20 049	18 271	1 476	1 061	-759	1 778	-844
Q3	20 345	23 344	-2 999	20 249	18 608	1 544	1 079	-982	1 641	-1 358
Q4	19 945	23 548	-3 603	19 716	18 595	1 120	897	-895	1 122	-2 481
1988 Q1	19 171	23 460	-4 289	20 750	19 725	1 024	989	-988	1 025	-3 264
Q2	20 330	24 926	-4 596	21 714	20 053	1 122	1 474	-935	1 661	-2 935
Q3	20 864	26 457	-5 593	22 854	20 614	1 017	1 434	-211	2 240	-3 353
Q4	20 407	26 744	-6 337	23 253	22 382	857	1 449	-1 436	870	-5 467
1989 Q1	21 733	27 770	-6 037	25 866	24 388	897	1 320	-739	1 478	-4 559
Q2	22 506	28 841	-6 335	27 173	25 728	1 327	1 006	-888	1 445	-4 890
Q3	23 314	29 673	-6 359	26 742	26 690	993	492	-1 434	51	-6 308
Q4	24 973	29 354	-4 381	28 749	29 462	763	190	-1 666	-713	-5 094
1988 Feb	6 310†	7 875†	-1 565†	..	..	..	..	..	341†	-1 224†
Mar	6 470	7 997	-1 527	..	..	..	..	..	342	-1 185
Apr	6 848	8 084	-1 236	..	..	..	..	..	554	-682
May	6 652	8 277	-1 625	..	..	..	..	..	553	-1 072
Jun	6 830	8 565	-1 735	..	..	..	..	..	554	-1 181
Jul	6 782	8 992	-2 210	..	..	..	..	..	747	-1 463
Aug	6 998	8 686	-1 688	..	..	..	..	..	746	-942
Sep	7 084	8 779	-1 695	..	..	..	..	..	747	-948
Oct	6 662	9 013	-2 351	..	..	..	..	..	290	-2 061
Nov	6 784	8 915	-2 131	..	..	..	..	..	290	-1 841
Dec	6 961	8 816	-1 855	..	..	..	..	..	290	-1 565
1989 Jan	7 441	9 327	-1 886	..	..	..	..	..	493	-1 393
Feb	6 871	9 116	-2 245	..	..	..	..	..	492	-1 753
Mar	7 421	9 327	-1 906	..	..	..	..	..	493	-1 413
Apr	7 172	9 325	-2 153	..	..	..	..	..	482	-1 671
May	7 629	9 599	-1 970	..	..	..	..	..	481	-1 489
Jun	7 705	9 917	-2 212	..	..	..	..	..	482	-1 730
Jul	7 677	9 685	-2 008	..	..	..	..	..	17	-1 991
Aug	7 541	9 919	-2 378	..	..	..	..	..	17	-2 361
Sep	8 096	10 069	-1 973	..	..	..	..	..	17	-1 956
Oct	8 138	9 820	-1 682	..	..	..	..	..	-238	-1 920
Nov	8 115	9 897	-1 782	..	..	..	..	..	-237	-2 019
Dec	8 720	9 637	-917	..	..	..	..	..	-238	-1 155
1990 Jan	8 502	10 522	-2 020	..	..	..	..	..	-	-2 020
Feb	8 438	9 833	-1 395	..	..	..	..	..	-	-1 395

1 Monthly data is one third of the appropriate calendar quarter's estimate or projection.

Source: Central Statistical Office


Balance of payments:
£ million
Current account
3,000
2,000
1,000
0
−1,000
−2,000
−3,000
−4,000
−5,000
−6,000
−7,000
−8,000
Current balance
Invisible balance
Visible trade
1984
1985
1986
1987
1988
1989


£ million
Invisible balances
2,500
2,000
1,500
1,000
500
0
−500
−1,000
−1,500
−2,000
Services
Interest, profits and dividends
Transfers
1984
1985
1986
1987
1988
1989

28 Sterling exchange rates and UK official reserves

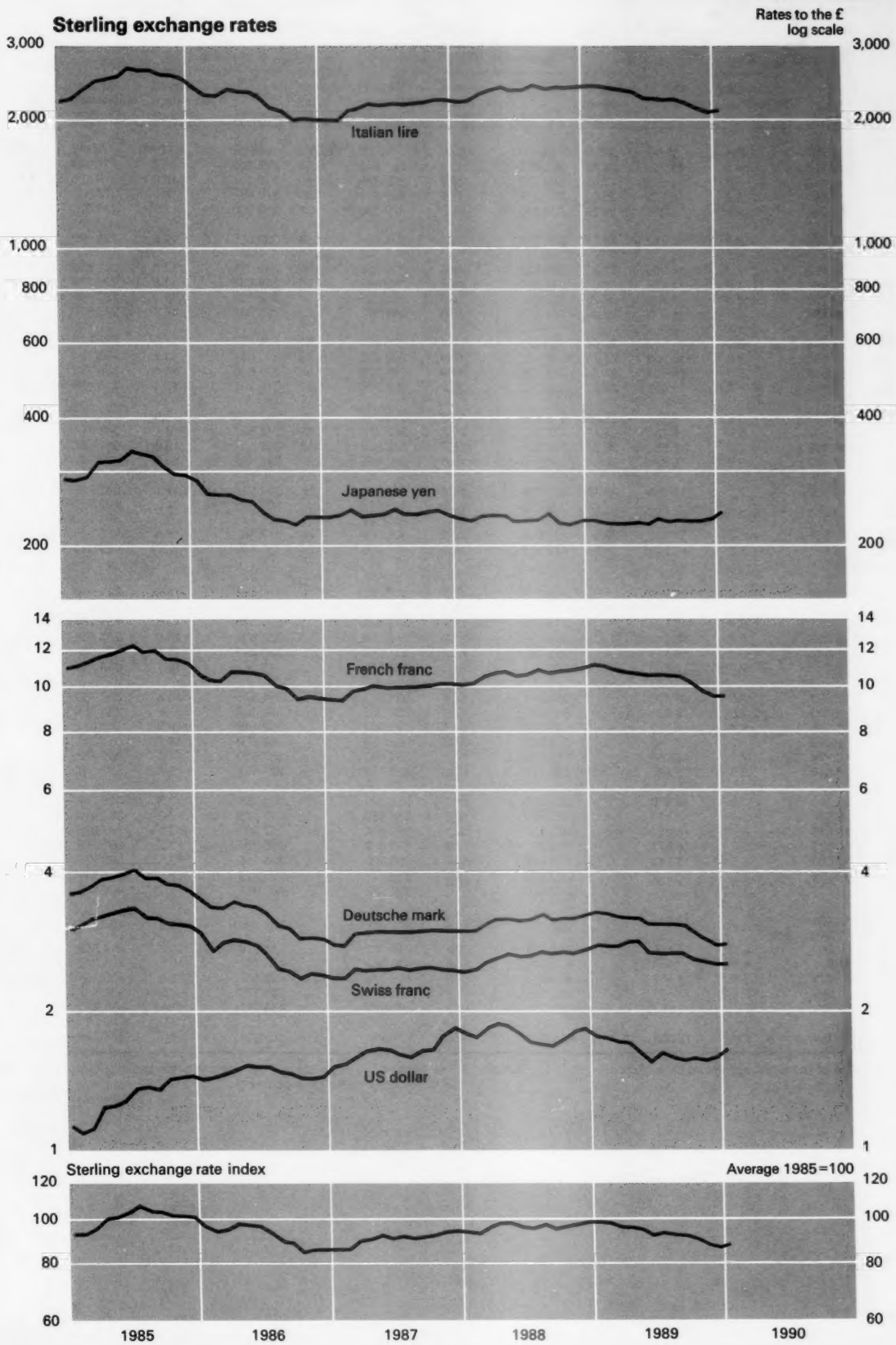
Not seasonally adjusted

	Sterling exchange rate against major currencies[1]						UK official reserves[2] at end of period ($ million)	Sterling exchange rate index (average 1985=100)
	Japanese yen	US dollar	Swiss franc	French franc	Italian lira	Deutsche-mark		
	AJFO	AJFA	AJFD	AJFE	AJFF	AJFH	AIPI	AJHV
1981	444.57	2.0254	3.9691	10.9353	2 288	4.556	23 347	119.0
1982	435.21	1.7489	3.5481	11.4851	2 364	4.243	16 997	113.7
1983	359.89	1.5158	3.1820	11.5469	2 302	3.870	17 817	105.3
1984	316.80	1.3364	3.1291	11.6365	2 339	3.790	15 694	100.6
1985	307.08	1.2976	3.1550	11.5495	2 463	3.784	15 543	100.0
1986	246.80	1.4672	2.6350	10.1569	2 186	3.183	21 923	91.5
1987	236.50	1.6392	2.4394	9.8369	2 123	2.941	44 326	90.1
1988	227.98	1.7796	2.6030	10.5969	2 315	3.124	51 685	95.5
1989	225.66	1.6383	2.6780	10.4476	2 247	3.079	38 645	92.6
1985 Q2	315.17	1.2577	3.2554	11.8272	2 474	3.878	14 318	101.0
Q3	328.10	1.3758	3.2339	11.9532	2 603	3.920	14 176	104.6
Q4	297.64	1.4356	3.0644	11.3248	2 514	3.711	15 543	101.4
1986 Q1	270.79	1.4391	2.8488	10.3829	2 303	3.382	18 750	95.0
Q2	256.40	1.5090	2.8132	10.7712	2 322	3.387	19 188	96.1
Q3	232.27	1.4891	2.5146	10.1009	2 140	3.109	22 426	90.2
Q4	229.22	1.4304	2.3783	9.3934	1 986	2.868	21 923	85.1
1987 Q1	236.20	1.5431	2.3848	9.4501	2 015	2.837	27 039	86.7
Q2	234.14	1.6410	2.4484	9.8908	2 134	2.964	34 364	90.4
Q3	237.82	1.6184	2.4670	9.9197	2 152	2.974	34 808	90.5
Q4	237.69	1.7535	2.4565	10.0821	2 188	2.989	44 326	92.7
1988 Q1	230.03	1.7972	2.4733	10.1923	2 221	3.013	47 519	93.5
Q2	231.18	1.8390	2.6114	10.6374	2 334	3.142	48 519	96.6
Q3	226.76	1.6951	2.6525	10.7159	2 349	3.165	50 482	95.2
Q4	224.05	1.7915	2.6755	10.8460	2 356	3.175	51 685	96.7
1989 Q1	224.37	1.7477	2.7624	10.9948	2 370	3.233	46 931	97.1
Q2	224.29	1.6259	2.7548	10.6306	2 287	3.140	43 665	93.6
Q3	227.17	1.5971	2.6486	10.3854	2 212	3.071	42 876	91.7
Q4	226.77	1.5849	2.5479	9.7891	2 119	2.876	38 645	88.1
1987 Jun	235.31	1.6293	2.4563	9.8904	2 143	2.962	34 364	90.3
Jul	241.83	1.6099	2.4719	9.9002	2 153	2.974	34 915	90.5
Aug	235.70	1.5975	2.4575	9.9034	2 149	2.967	34 365	90.0
Sep	235.56	1.6462	2.4703	9.9548	2 155	2.981	34 808	90.9
Oct	238.05	1.6621	2.4825	9.9964	2 164	2.992	41 399	91.4
Nov	240.34	1.7754	2.4531	10.1314	2 200	2.986	41 281	93.2
Dec	234.67	1.8273	2.4325	10.1226	2 201	2.987	44 326	93.6
1988 Jan	229.90	1.7981	2.4241	10.0461	2 189	2.977	43 093	92.8
Feb	226.97	1.7578	2.4462	10.0760	2 196	2.983	42 927	92.2
Mar	232.94	1.8324	2.5407	10.4256	2 272	3.072	47 519	95.3
Apr	234.43	1.8765	2.5967	10.6503	2 329	3.138	47 857	97.2
May	233.21	1.8694	2.6378	10.7196	2 353	3.166	48 533	97.6
Jun	226.52	1.7790	2.6001	10.5517	2 320	3.124	48 519	95.3
Jul	226.87	1.7042	2.6126	10.5953	2 328	3.144	49 826	94.7
Aug	227.09	1.6983	2.6895	10.8558	2 373	3.207	50 639	96.1
Sep	226.31	1.6833	2.6536	10.6910	2 344	3.142	50 482	94.8
Oct	223.87	1.7382	2.6744	10.7879	2 354	3.160	50 048	95.7
Nov	222.71	1.8090	2.6532	10.8030	2 350	3.162	51 040	96.6
Dec	225.71	1.8282	2.7013	10.9541	2 365	3.207	51 685	97.7
1989 Jan	225.78	1.7748	2.7695	11.0940	2 386	3.256	51 705	97.9
Feb	223.89	1.7541	2.7614	11.0494	2 376	3.245	51 683	97.3
Mar	223.43	1.7146	2.7562	10.8435	2 350	3.199	46 931	95.9
Apr	224.67	1.7022	2.8014	10.7562	2 333	3.181	47 256	95.4
May	224.69	1.6295	2.8181	10.7274	2 307	3.172	46 087	94.3
Jun	223.57	1.5532	2.6519	10.4239	2 227	3.072	43 665	91.1
Jul	228.26	1.6244	2.6471	10.4244	2 223	3.074	43 631	92.3
Aug	225.40	1.5955	2.6487	10.3821	2 208	3.074	43 208	91.6
Sep	227.94	1.5715	2.6501	10.3499	2 206	3.065	42 876	91.3
Oct	225.69	1.5882	2.5894	10.0567	2 174	2.963	39 681	89.7
Nov	225.65	1.5724	2.5452	9.7825	2 113	2.877	38 767	87.9
Dec	229.30	1.5957	2.5031	9.4871	2 063	2.776	38 645	86.5
1990 Jan	239.48†	1.6523†	2.5046†	9.5095†	2 084†	2.793†	38 488†	87.9†
Feb	246.99	1.6962	2.5236	9.6533	2 110	2.843	38 537	89.6

1 Average of daily Telegraphic Transfer rates in London.

2 Apart from transactions, the level of official reserves is affected by changes in the dollar valuation of gold, Special Drawing Rights and convertible currencies. Since end-March 1979 these rates have been revised annually. These valuation changes are described in detail in the description of Table 10.3 in the *Financial Statistics Explanatory Handbook*, where the values of the annual changes are also shown.

Sources: Bank of England; HM Treasury


Sterling exchange rates
Rates to the £
log scale
3,000
2,000
1,000
800
600
400
200
Italian lire
Japanese yen
14
12
10
8
6
4
2
1
French franc
Deutsche mark
Swiss franc
US dollar
Sterling exchange rate index
Average 1985=100
120
100
80
60
1985
1986
1987
1988
1989
1990

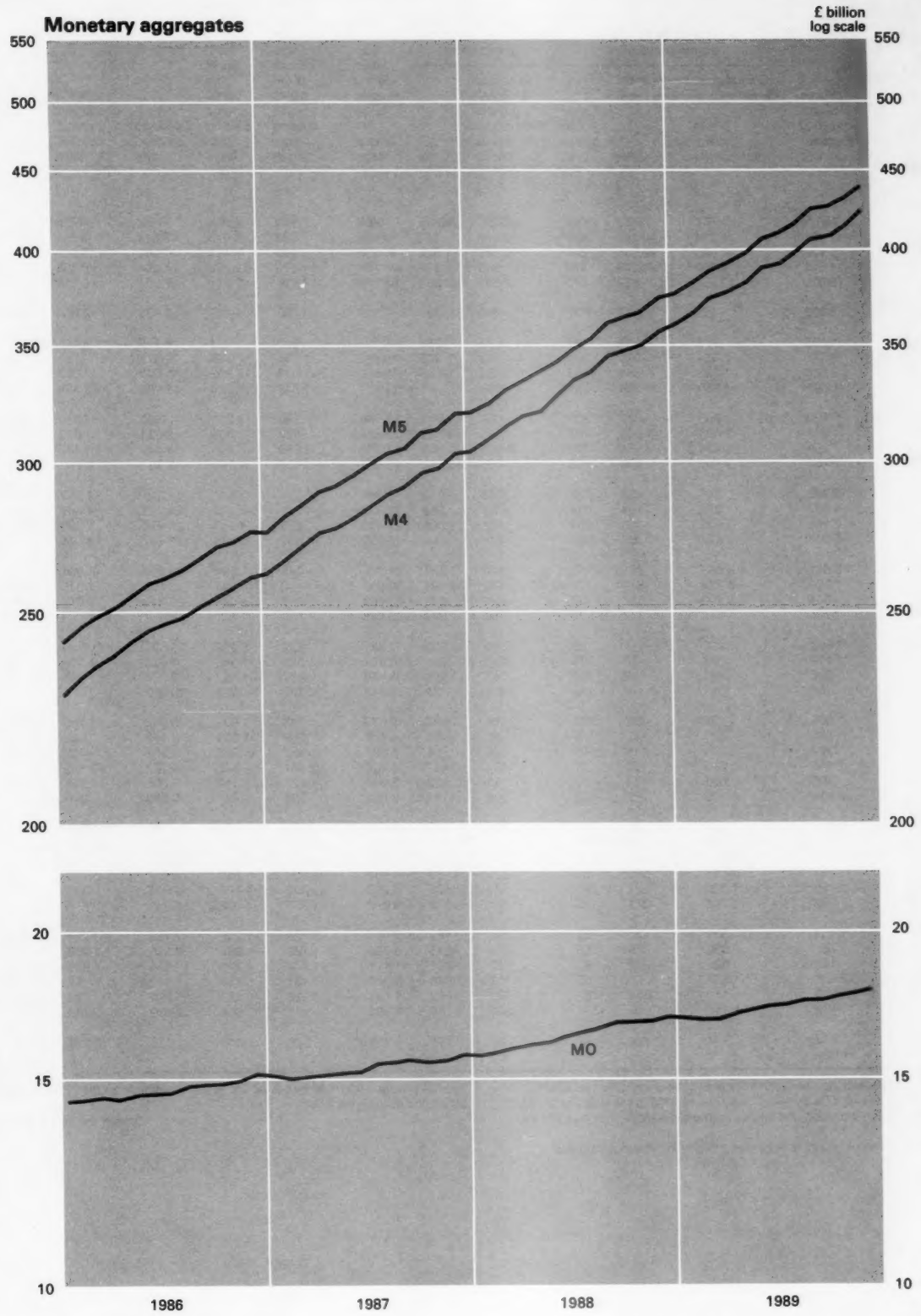
29 Monetary aggregates[1]

	M0				M4				M5			
	Amount outstanding[2] (NSA)				Amount outstanding (NSA)				Amount outstanding (NSA)			
	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio	£ million	Annual percentage change	Amount outstanding (£ million)	Velocity of circulation: ratio
	AVAD	AVAK	AVAE	AVAM	AUYM	AUZP	AUYN	AUYU	AVEE	AUZV	AJWB	AUYY
1986	14 665	*4.0*	14 599	26.15†	261 073	*15.4*	261 543	1.56	276 203	14.7	276 629	1.47
1987	15 338	*4.6*	15 289	27.42	303 753	*16.3*	303 978	1.49	319 207	15.8	319 426	1.41
1988	16 402	*6.9*	16 322	28.62	357 218†	*17.6*	357 459†	1.42†	372 452†	16.6	372 647†	1.35
1989	17 334†	*5.9†*	17 254†	29.56	422 976	*18.2†*	423 093	1.31	439 850	17.9†	439 920	1.26†
1985 Q4	14 425	*3.3*	14 168	25.77†	225 293	*13.0*	225 624	1.64	239 365	12.6	239 670	1.54
1986 Q1	14 255	*4.0*	14 358	25.87	235 823	*14.5*	236 112	1.60	249 515	13.5	249 885	1.51
Q2	14 464	*3.0*	14 490	26.00	245 852	*15.7*	245 666	1.56	259 885	14.8	259 722	1.48
Q3	14 782	*4.0*	14 649	26.26	252 988	*15.8*	252 895	1.54	267 639	15.0	267 446	1.46
Q4	15 159	*5.1*	14 898	26.46	261 073	*15.4*	261 543	1.53	276 203	14.7	276 629	1.44
1987 Q1	14 808	*3.9*	15 010	26.64	270 139	*14.1*	270 467	1.51	284 173	13.5	284 586	1.43
Q2	15 131	*4.6*	15 133	27.23	281 120	*13.9*	280 362	1.49	295 894	13.6	295 174	1.42
Q3	15 519	*5.0*	15 384	27.74	291 930	*14.9*	291 770	1.48	307 040	14.4	306 789	1.41
Q4	15 894	*4.9*	15 628	28.07	303 753	*16.3*	303 978	1.47	319 207	15.8	319 426	1.40
1988 Q1	15 622	*5.5*	15 788	28.36	315 475†	*16.8*	315 846†	1.45	331 328†	16.6	331 787†	1.38
Q2	16 107	*6.4*	16 135	28.46	328 247	*16.8*	327 772	1.43†	343 587	16.1	343 151	1.36†
Q3	16 708	*7.6*	16 559	28.71	346 221	*18.7*	346 062	1.40	362 109	18.0	361 867	1.34
Q4	17 169	*8.0*	16 808	28.96	357 218	*17.6*	357 459	1.39	372 452	16.6	372 647	1.33
1989 Q1	16 732	*7.1*	16 848	29.42	372 284	*18.1*	372 654	1.36	387 537	17.1	387 995	1.31
Q2	17 001	*5.7*	17 077	29.62	389 179 389 124	*18.5†*	388 677 388 622	1.33	405 479 405 424	18.0	405 017 404 962	1.28
Q3	17 539	*5.3*	17 382	29.51	407 044	*17.3*	406 884	1.29	423 782	16.8	423 540	1.24
Q4	18 064†	*5.5†*	17 710†	29.68	422 976	*18.2*	423 093	1.27	439 850	17.9†	439 920	1.22
Calendar month												
1988 Jan	15 639	*4.8*	15 719	..	304 278†	*16.5*	306 183†	..	319 412†	16.3	321 530†	..
Feb	15 477	*5.3*	15 762	..	305 692	*16.0*	308 958	..	320 550	15.6	324 085	..
Mar	15 751	*6.4*	15 882	..	315 475	*16.8*	315 846	..	331 328	16.6	331 787	..
Apr	16 025	*5.9*	16 044	..	317 299	*16.0*	318 369	..	332 690	15.6	333 685	..
May	16 048	*5.7*	16 115	..	321 458	*16.0*	321 712	..	336 855	15.4	337 092	..
Jun	16 247	*7.7*	16 245	..	328 247	*16.8*	327 772	..	343 587	16.1	343 151	..
Jul	16 599	*7.0*	16 410	..	336 298	*17.4*	335 273	..	351 878	16.8	350 930	..
Aug	16 733	*7.8*	16 524	..	338 854	*17.3*	338 905	..	354 466	16.6	354 584	..
Sep	16 793	*8.1*	16 743	..	346 221	*18.7*	346 062	..	362 109	18.0	361 867	..
Oct	16 692	*7.7*	16 755	..	348 802	*17.3†*	348 569	..	364 620	16.7	364 314	..
Nov	16 774	*7.9*	16 788	..	351 709	*17.7*	351 690	..	367 580	17.1	367 623	..
Dec	18 040	*8.5*	16 880	..	357 218	*17.6*	357 459	..	372 452	16.6	372 647	..
1989 Jan	16 876	*7.9*	16 879	..	359 392	*18.1*	361 296	..	374 760	17.3	376 848	..
Feb	16 504	*6.6*	16 810	..	362 325	*18.6*	365 569	..	377 476	17.8†	380 976	..
Mar	16 815	*6.8*	16 854	..	372 284	*18.1*	372 654	..	387 537	17.1	387 995	..
Apr	16 825	*5.0*	16 973	..	374 359	*17.9*	375 418	..	390 294	17.3	391 280	..
May	17 088	*6.5*	17 110	..	379 772	*18.1*	380 000	..	395 746	17.5	395 959	..
Jun	17 089	*5.5*	17 148	..	389 179 389 124	*18.5*	388 677 388 622	..	405 479 405 424	18.0	405 017 404 962	..
Jul	17 408 17 410	*5.2*	17 219 17 221	..	392 492	*16.5*	391 408	..	408 983	16.0	407 977	..
Aug	17 703	*6.1*	17 475	..	398 128	*17.3*	398 113	..	414 514	16.7	414 568	..
Sep	17 504	*4.5*	17 450	..	407 044	*17.3*	406 884	..	423 782	16.8	423 540	..
Oct	17 521	*5.3*	17 582	..	409 653	*17.2*	409 376	..	426 105	16.6	425 756	..
Nov	17 666	*5.6*	17 695	..	414 116	*17.5*	413 997	..	430 575	16.9	430 517	..
Dec	19 006†	*5.6†*	17 852†	..	422 976	*18.2*	423 093	..	439 850	17.9	439 920	..
1990 Jan	17 764	*5.6*	17 803	..	426 268	*18.4*	428 007	..	442 570	17.9	444 491	..

1 A fuller range of monetary aggregates is published monthly in *Financial Statistics*.

2 The monthly figures for M0 give the average of the amounts outstanding each Wednesday during the calendar month.

Source: Bank of England


Monetary aggregates
£ billion
log scale
550
500
450
400
350
300
250
200
M5
M4
20
15
10
MO
1986
1987
1988
1989

30 Counterparts to changes in money stock M4[1]

£ million, not seasonally adjusted

	Public Sector Borrowing Requirement	Purchases by the M4[2] private sector of: Central government debt: British government stocks	Central government debt: Other	Other public sector debt	External and foreign currency financing of public sector: Purchase of British government stocks by overseas sector	External and foreign currency financing of public sector: Other	Banks' and Building Societies' sterling lending to the M4 private sector	External and foreign currency transactions of UK banks and building societies	Net non-deposit sterling liabilities of the banks and building societies	Domestic counterparts	External and foreign currency counterparts	M4
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*	*12*
	ABEN	AVBY	AVBU	AVBV	-AARC	AQGA	AVBS	AVBW	AVBX	AVBN	AVBP	AUZI
1986	2 497†	-4 794	-2 106	933†	-2 182	152	47 086	-936	-5 943	43 614	-2 957	34 714
1987	-1 432	-2 108†	-2 698†	844	-4 349	11 522	53 299	-4 996	-7 403	47 901	1 964	42 462
1988	-11 611	4 090	-1 049	633	-560†	4 180	81 991	-11 773	-12 259	74 054†	-8 435	53 360†
1989	-9 078	12 251	652	142	1 552	-5 364†	88 409†	-11 516†	-12 024†	92 301	-15 318†	64 959
1985 Q4	1 992	-495	-627	532†	-550	-374	8 529	-1 736	-417	9 931	-2 660	6 854
1986 Q1	-1 888	-558	-24	161	-72	385	11 124	810	323	8 815	1 123	10 261
Q2	2 512	-1 054	-815	1 025	-768	373	10 409	1 135	-2 786	12 077	741	10 032
Q3	3 563	-1 523	-881	-215	-552	-455	10 616	-1 038	-2 202	11 560	-2 033	7 325
Q4	-1 690†	-1 659	-386	-38	-790	-151	14 937	-1 843	-1 278	11 162	-2 788	7 096
1987 Q1	-830	665	-680	209	-654	1 347	10 766	194	-2 258	10 130	818	8 690
Q2	1 411	-1 408†	-1 008	105	-1 125	4 023	12 934	-878	-2 805	12 035	1 873	11 103
Q3	454	1 434	-554†	371	-2 365	260	14 745	-2 359	-1 150	16 449	-4 432	10 867
Q4	-2 467	-2 799	-456	159	-205	5 892	14 854	-1 953	-1 190	9 287	3 705	11 802
1988 Q1	-2 799	-648	-458	-128	-608	1 643	18 249	-2 771	-974	14 216†	-1 619	11 623†
Q2	-1 697	871	-191	214	-523†	659	21 718	-4 780	-3 403	20 915	-4 641	12 871
Q3	-2 108	1 423	-456	202	127	1 094	22 415	275	-4 747	21 476	1 420	18 149
Q4	-5 007	2 444	56	345	444	784	19 609	-4 497	-3 135	17 447	-3 595	10 717
1989 Q1	-5 681	4 658	241	-3	199	-222†	21 775†	-4 043†	-1 594†	20 990	-4 064†	15 332
Q2	-29	3 777	-518	172	1 143	-2 109	20 095	-1 110	-4 841	23 498	-2 075	16 582
Q3	-604	3 190	582	152	-556	-646	26 053	-6 819	-4 088	29 346	-8 017	17 241
Q4	-2 764	626	347	-179	766	-2 387	20 486	456	-1 501	18 467	-1 162	15 804
1988 Mar	3 862†	492†	-411†	73†	125	1 352	7 881	-522	-3 052	11 897†	955	9 800†
Apr	-1 180	-688	-89	295	-270	311	6 392	-1 543	-1 348	4 730	-1 502	1 880
May	-578	646	72	-240	155	257	5 478	-477	-1 157	5 378	-65	4 156
Jun	61	913	-174	159	-405	91	9 848	-2 760	-898	10 807	-3 074	6 835
Jul	-1 605	1 126	-272	178	-186	603	9 075	743	-1 601	8 502	1 160	8 061
Aug	-1 585	521	-69	119	-192	485	4 476	369	-1 563	3 462	662	2 561
Sep	1 082	-224	-115	-95	429	6	8 864	-837	-1 583	9 512	-402	7 527
Oct	-2 156	1 825	-32	51	-154	452	6 434	-2 471	-1 362	6 122	-2 173	2 587
Nov	-385	698	-134	-108	68	429	5 324	-1 673	-1 312	5 395	-1 176	2 907
Dec	-2 466	-79	222	402	204	-97	7 851	-353	-461	5 930	-246	5 223
1989 Jan	-6 921	667	-18	-153	-291	756†	7 407	-1 031†	1 757†	982	-566†	2 173
Feb	-1 014	2 969	155	186	-49	-464	4 490	-2 520	-659	6 786	-3 033	3 094
Mar	2 254	1 022	104	-36	541†	-514	9 878†	-492	-2 692	13 222	-465	10 065
Apr	-867	813	-100	-154	821	32	4 961	-2 553	-1 255	4 652	-1 700	1 697
May	136	1 220	-77	283	32	-595	6 042	190	-1 824	7 603	-373	5 406
Jun	702	1 744	-341	43	291	-1 546	9 092	1 253	-1 762	11 243	-2	9 479
Jul	-1 469	530	-21	263	-280	182	7 856	-3 126	-1 267	7 150	-3 224	2 659
Aug	701	2 035	275	-153	-834	-345	6 786	-1 789	-1 031	9 635	-2 968	5 636
Sep	164	625	328	42	562	-483	11 411	-1 904	-1 790	12 561	-1 825	8 946
Oct	-2 628	1 632	-7	65	-118	-2 076	5 070	1 437	-737	4 112	-757	2 618
Nov	303	141	314	87	281	-469	4 435	516	-1 128	5 266	328	4 466
Dec	-439	-1 147	40	-331	606	158	10 981	-1 497	364	9 089	-733	8 720
1990 Jan	-5 213	742	124	22	44	794	5 380	382	1 040	1 028	1 220	3 288
Feb	-1 031	..	..	..	..	..	..	..	..	..	..	..

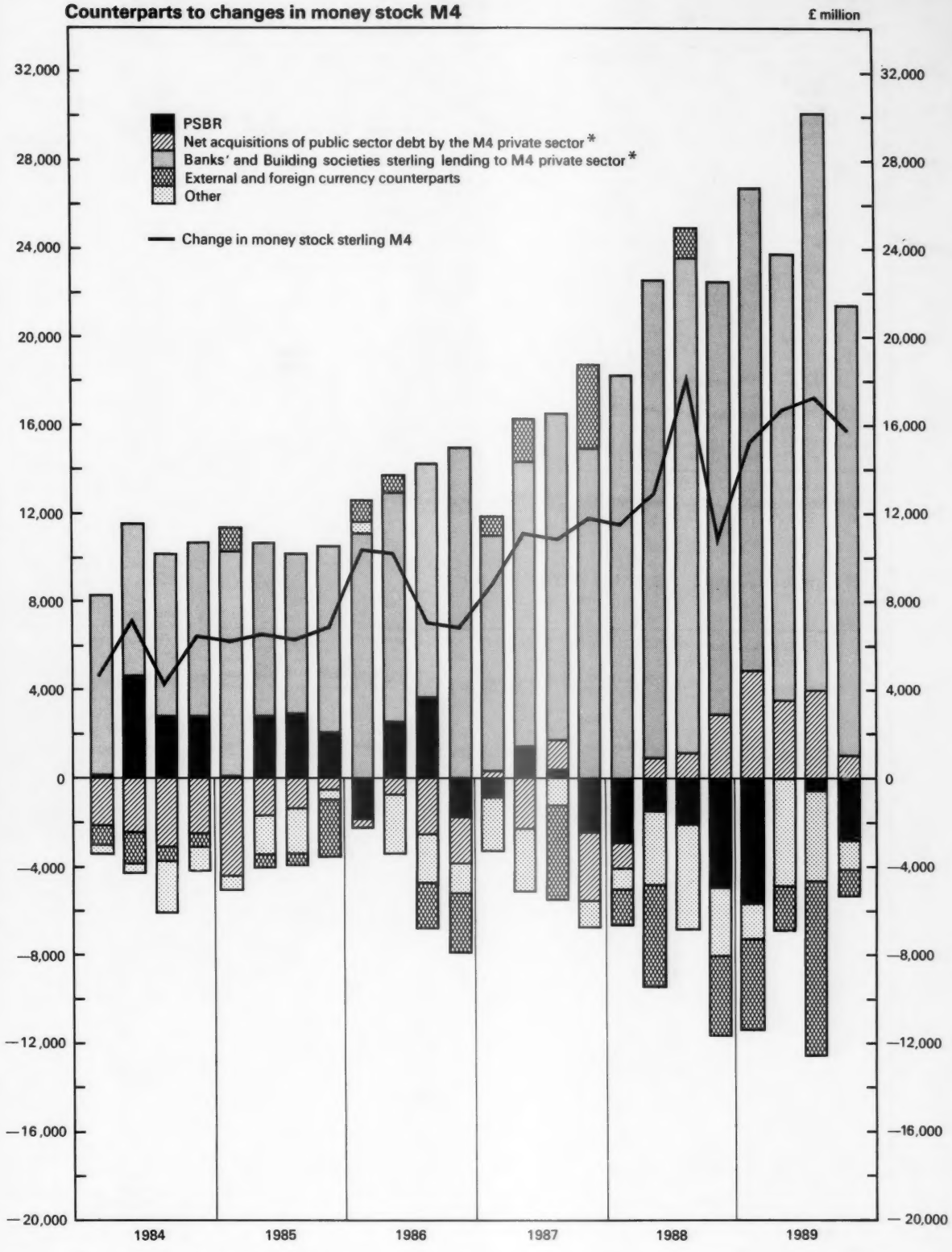
For most periods the relationships between the columns are as follows: 10 = 1+2+3+4+7; 11 = 5+6+8; 12 = 9+10+11. Due to the inclusion of the latest PSBR information, the figures for more recent periods may not add exactly.

1 A wider range of figures is published monthly in *Financial Statistics*.

2 The M4 private sector comprises all UK residents other than the public sector, banks and building societies.

Source: Bank of England

Counterparts to changes in money stock M4



* Private sector other than banks and building societies.

31 General government receipts and expenditure

£ million, not seasonally adjusted

	General government									
	Receipts[1]		Expenditure							
			Goods and services		Current and capital transfers					
	Taxes, social security contributions and community charge.	Trading income, rent, royalties, interest, etc.	Final consumption	Gross domestic capital formation	Current grants and subsidies	Capital transfers	Debt interest	Net lending etc[2]	Total	Public expenditure planning total
	ABKA	ABKB	AAXI	ABKC	ABKD	AAYG	AAXL	ABAA	ABAB	ABAZ
1987	156 301†	13 492	85 338	6 299	61 906†	3 139†	17 748†	-6 395†	168 336†	138 859†
1988	173 771	13 534†	91 679	5 598†	63 113	3 716	18 043	-5 155	176 994	145 115
1989	188 009	14 468	98 496†	8 249	66 608	3 834	18 664	-1 422	194 429	160 612
1986 Q4	38 114†	3 245	20 106	1 396	15 199	733	3 869	-2 240	39 095	33 199†
1987 Q1	40 215	3 521	21 261	2 369	15 559†	978	5 199	-523	45 000†	36 063
Q2	35 001	3 241	20 910	975	15 545	623†	3 591	-3 103†	38 589	32 880
Q3	39 450	3 215	21 166	1 436	15 357	773	4 972	-1 579	42 135	34 338
Q4	41 635	3 515	22 001	1 519	15 445	765	3 986†	-1 190	42 612	35 578
1988 Q1	45 816	3 577	23 011	2 564	16 370	1 014	5 114	640	48 918	39 917
Q2	38 932	3 250†	22 376	969	15 516	642	3 692	-2 856	40 341	33 634
Q3	42 626	3 318	22 506	805†	14 950	1 237	4 938	-1 631	42 805	34 390
Q4	46 397	3 389	23 786	1 053	16 277	823	4 299	-1 308	44 930	37 174
1989 Q1	49 097	3 928	24 556†	2 866	16 085	1 149	5 097	405	50 158	40 419
Q2	42 485	3 211	24 050	1 117	16 587	735	4 031	-1 503	45 017	37 963
Q3	45 785	3 422	24 531	1 828	16 905	991	5 134	38	49 427	40 630
Q4	50 642	3 907	25 359	2 438	17 031	959	4 402	-362	49 827	41 600

1 Excluding financial transactions.
2 Net lending to public corporations, private sector and overseas; company securities.

Source: Central Statistical Office

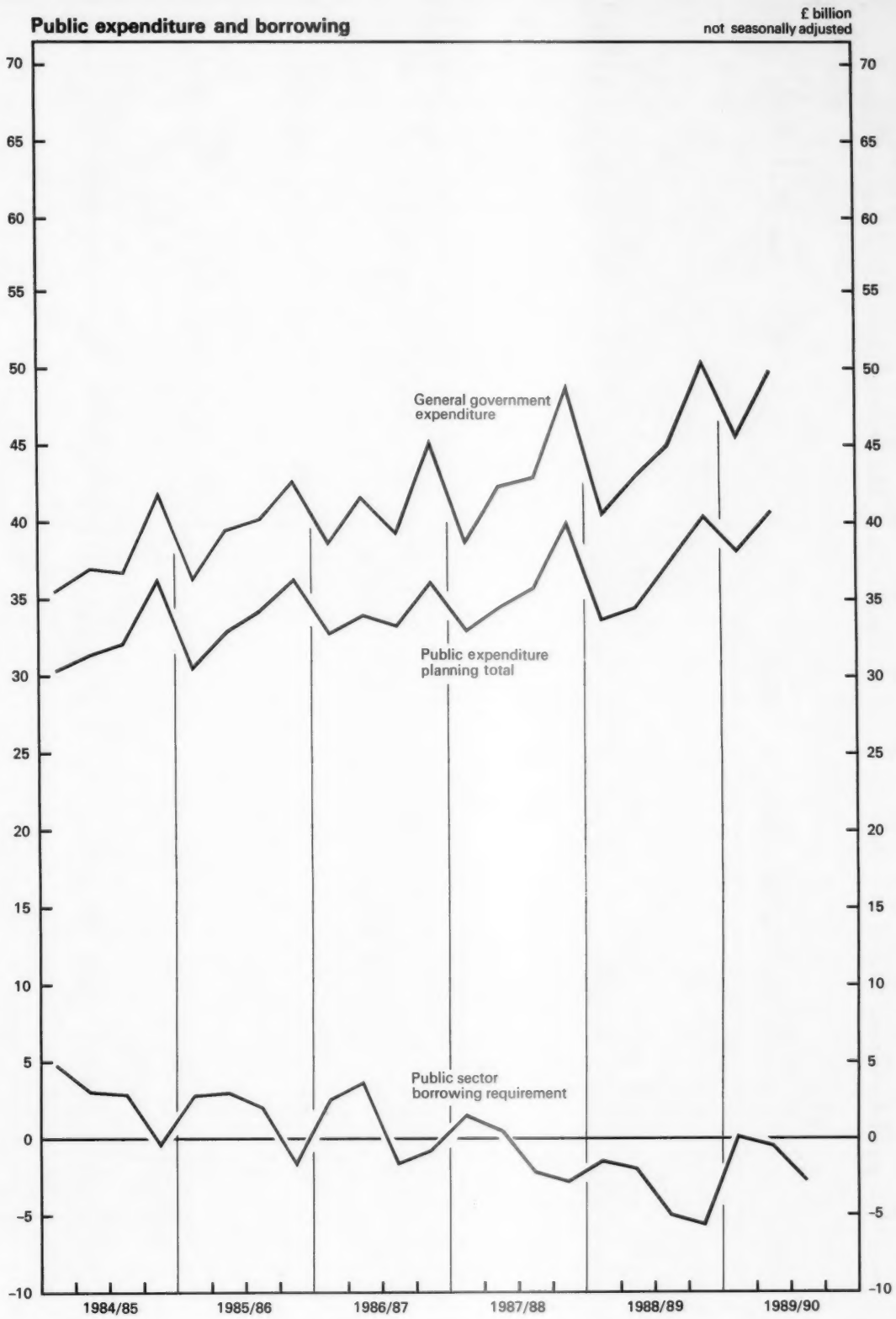
32 Financial transactions of the public sector[1]

£ million, not seasonally adjusted

	Financial deficit[2]				Receipts						
					Borrowing requirement[5]						
	General government[3]	Public corporations	Total	Net lending etc, to private sector and overseas[4]	Central government (own account[6])	Local authorities	Public corporations	Total	Seasonally adjusted total[7]	Other financial transactions (net receipts)	Total
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
	-AABC	-AABD	-AABE	ABKG	ABEB	ABEG	ABEM	ABEN	ABFB	ABKI	ABKH
1987	4 938†	-1 381	3 557†	-6 049†	-925†	805	-1 312†	-1 432†	-1 432†	-1 060†	-2 492†
1988	-5 156	-1 374†	-6 530	-5 996	-10 294	608†	-1 925	-11 611	-11 611	-915	-12 526
1989	-6 626	-966	-7 592	-3 038	-9 516	698	-260	-9 078	-9 075	-1 552	-10 630
1987 Q1	1 787†	-5	1 782†	-594	-1 056	791	-565	-830	270†	2 018†	1 188†
Q2	3 450	-514	2 936	-2 434†	1 739	138	-466†	1 411†	89	-909	502
Q3	1 049	-25†	1 024	-1 696	364	304	-214	454	-174	-1 126	-672
Q4	-1 348	-837	-2 185	-1 325	-1 972†	-428	-67	-2 467	-1 617	-1 043	-3 510
1988 Q1	-1 115	-52	-1 167	16	-3 415	1 340†	-724	-2 799	-1 453	1 648	-1 151
Q2	1 015	-289	726	-2 717	-1 516	141	-322	-1 697	-2 683	-294	-1 991
Q3	-1 508	-232	-1 740	-2 222	-1 738	-154	-216	-2 108	-3 322	-1 854	-3 962
Q4	-3 548	-801	-4 349	-1 073	-3 625	-719	-663	-5 007	-4 153	-415	-5 422
1989 Q1	-3 272	-53	-3 325	-448	-6 031	1 115	-765	-5 681	-4 223	1 908	-3 773
Q2	824	-74	750	-1 731	906	-652	-283	-29	-1 046	-952	-981
Q3	182	-205	-23	-485	-1 501	198	699	-604	-1 659	96	-508
Q4	-4 360	-634	-4 994	-374	-2 890	37	89	-2 764	-2 147	-2 604	-5 368
1989 Dec	..	..	..	..	-968†	655†	-126†	-439†	..	..	..
1990 Jan	..	..	..	..	-5 540	146	181	-5 213	..	..	..
Feb	..	..	..	..	-935	714	-810	-1 031	..	..	..

The relationships between the columns are as follows: 1 + 2 = 3; 3 + 4 = 11; 5 + 6 + 7 = 8; 8 + 10 = 11.
1 Due to the inclusion of the latest PSBR figures this table may not be internally consistent.
2 The excess of current and capital expenditure over receipts.
3 Table 31, columns 3 to 7 *less* columns 1 and 2.
4 Including company securities. Lending is shown positively; repayment is shown negatively.
5 Redefined: see article in *Economic Trends*, No. 364, February 1984.
6 Excluding borrowing matched by on-lending to local authorities and public corporations.
7 Calendar year constrained.

Source: Central Statistical Office


Public expenditure and borrowing
£ billion
not seasonally adjusted
70
65
60
55
50
45
40
35
30
25
20
15
10
5
0
-5
-10
General government expenditure
Public expenditure planning total
Public sector borrowing requirement
1984/85
1985/86
1986/87
1987/88
1988/89
1989/90

33 Summary capital accounts and financial surplus or deficit[7]

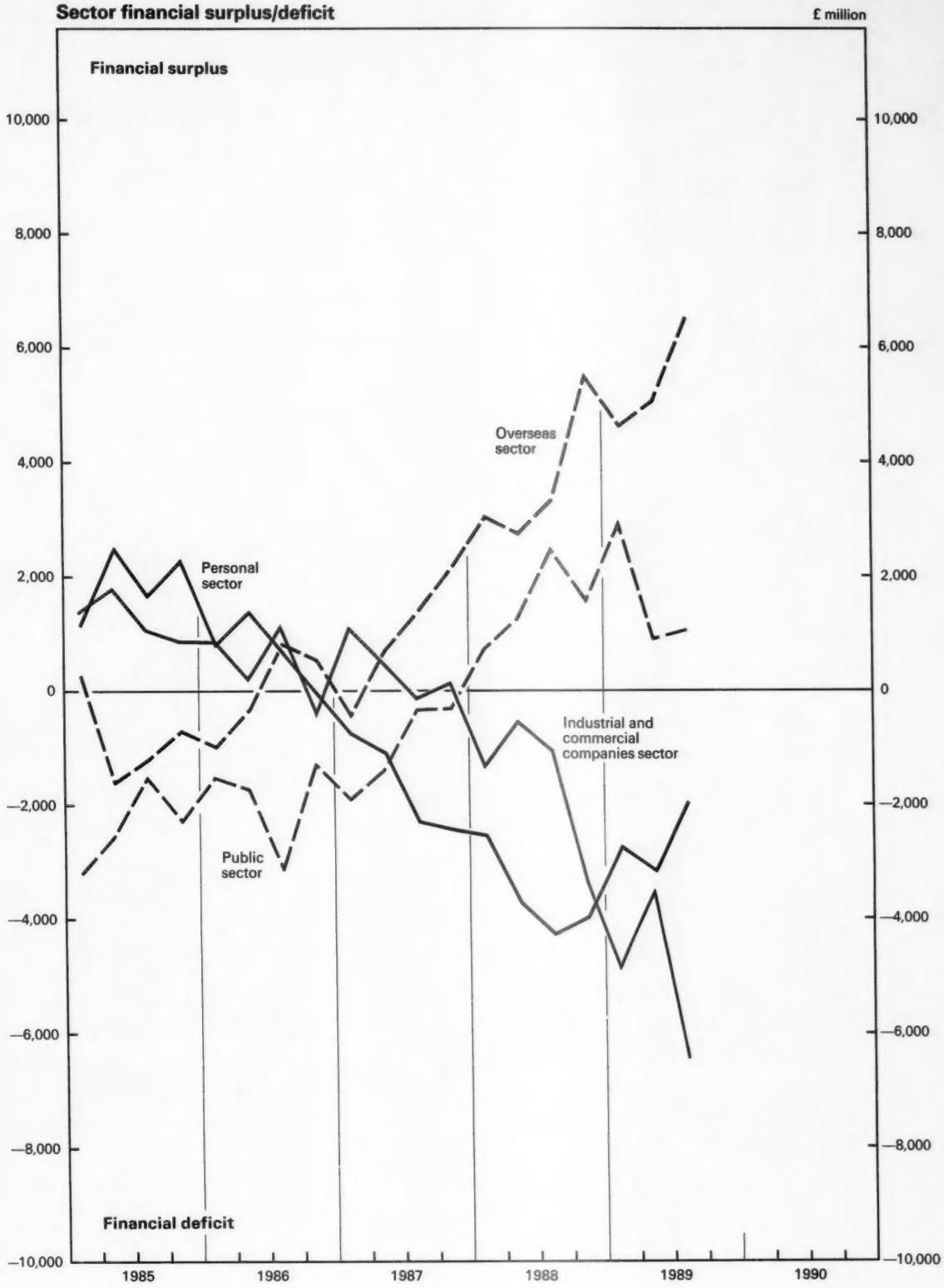
£ million

	Public sector[1]			Financial companies and institutions			Industrial and commercial companies		
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]
	ABKJ	ABKK	ABKL	AAUM	AAUN	GGCX	AAUQ	AAUR	GGCW
1985	3 704	-398	12 910	7 838	-118	7 829	32 524	112	27 250
1986	4 098†	199	11 968	11 411†	-219	7 301	30 617†	52	29 256†
1987	6 469	961†	10 987†	13 543	-283	8 250	37 907	-371	38 200
1988	15 386	1 925	10 781	16 640	-403	12 167	42 239	-212†	49 852
1989	18 238	2 988	13 634	21 871	-628†	14 133†	34 417	-1 295	56 493
1986 Q1	1 333†	-59	2 984†	2 943†	-55	1 934	7 081†	73	5 934†
Q2	1 516	23	3 218	2 490	-50	1 738	5 792	38	6 073
Q3	-83	70	3 007	2 610	-59	1 746	9 246	-13	8 197
Q4	1 332	165	2 759	3 368	-55	1 883	8 498	-46	9 052
1987 Q1	525	160	2 679	3 487	-70	1 795	9 386	-37	8 178
Q2	1 306	130†	2 718	3 217	-61	2 075	9 559	-49	9 530
Q3	2 380	243	2 845	3 352	-66	1 983	9 406	-124	9 946
Q4	2 258	428	2 745	3 487	-86	2 397	9 556	-161	10 546
1988 Q1	3 118	595	2 989	3 512	-126	2 592†	9 794	-255	11 021
Q2	3 950	321	3 080	4 397	-72	3 002	10 168	-111†	11 192
Q3	5 060	-153	2 185	4 076	-88	3 410	10 982	371	13 297
Q4	3 258	1 162	2 527	4 655	-117	3 163	11 295	-217	14 342
1989 Q1	5 077	863	3 077	4 892	-191	3 556	10 522	-370	15 012
Q2	3 805	362	3 413	5 541	-95†	3 632	10 720	-156	14 675
Q3	4 255	452	3 311	5 906	-120	3 651	6 737	-257	14 612
Q4	5 101	1 311	3 833	5 532	-222	3 294	6 438	-512	12 194

	Personal sector			Financial surplus/deficit[4]					
	Saving[2]	Capital transfers (net receipts)	Gross domestic capital formation[3]	Public sector	Financial companies and institutions	Industrial and commercial companies	Personal sector	Overseas sector[5]	Balancing item[6]
	AAUU	AAUV	GGCV	AAVE	AAVF	AAVG	AAVH	AAVI	AAVJ
1985	22 758	404	15 708	-9 604	-109	5 386	7 454	-3 161	34
1986	21 349†	-32	18 300†	-7 671†	3 891†	1 413†	3 017†	41†	-691†
1987	15 951	-307†	22 126	-3 557	5 010	-664	-6 482	4 395	1 298
1988	12 600	-1 310	26 647	6 530	4 070	-7 825	-15 357	15 018	-2 436
1989	17 122	-1 065	25 576	7 592	7 110	-23 371	-9 519	20 850	-2 662
1985 Q3	5 312	58	3 721	-1 570	86	1 065†	1 649	-1 208	-22†
Q4	6 031	22	3 779	-2 293	-17	799	2 274	-711	-52
1986 Q1	4 963†	41	3 980†	-1 710†	954†	1 220	1 024†	-1 287†	-201
Q2	5 780	-11	4 286	-1 679	702	-243	1 483	-58	-205
Q3	5 492	2	4 853	-3 020	805	1 036	641	717	-179
Q4	5 114	-64	5 181	-1 262	1 430	-600	-131	669	-106
1987 Q1	4 356	-53	5 145	-1 994	1 622	1 171	-842	-289	332
Q2	4 444	-20†	5 432	-1 282	1 081	-20	-1 008	844	385
Q3	3 717	-53	5 792	-222	1 303	-664	-2 128	1 358	353
Q4	3 434	-181	5 757	-59	1 004	-1 151	-2 504	2 482	228
1988 Q1	3 254	-214	5 965	724	794	-1 482	-2 925	3 264	-375
Q2	2 929	-138	6 545	1 191	1 323	-1 135	-3 754	2 935	-560
Q3	2 993	-130	6 868	2 722	578	-1 944	-4 005	3 353	-704
Q4	3 424	-828	7 269	1 893	1 375	-3 264	-4 673	5 466	-797
1989 Q1	3 586	-302	6 345	2 863	1 145	-4 860	-3 061	4 559	-646
Q2	3 535	-111	6 117	754	1 814	-4 111	-2 693	4 890	-654
Q3	5 091	-75	6 050	1 396	2 135	-8 132	-1 034	6 307	-672
Q4	4 910	-577	7 064	2 579	2 016	-6 268	-2 731	5 094	-690

1 Excluding financial transactions in writing-off debt.
2 Before providing for depreciation, stock appreciation and additions to reserves.
3 Comprises gross domestic fixed capital formation and increase in value of stocks and work in progress.
4 This balance is equal to saving *plus* capital transfers *less* gross domestic fixed capital formation, *less* increase in value of stocks and work in progress.
5 Equals, apart from the change in sign, the current balance of payments accounts, *plus* capital transfers.
6 For periods when the sector current and capital accounts are fully articulated, it is equal to the residual error in the national accounts.
7 In order to present a consistent table, first quarter figures for 1989 together with revisions to earlier data which are available for some series have not been included.

Source: Central Statistical Office


Sector financial surplus/deficit
£ million
Financial surplus
10,000
8,000
6,000
4,000
2,000
0
−2,000
−4,000
−6,000
−8,000
−10,000
Overseas sector
Personal sector
Industrial and commercial companies sector
Public sector
Financial deficit
1985
1986
1987
1988
1989
1990

34 Appropriation account of industrial and commercial companies[1]

£ million

	Income								Allocation of income				Balance	
	Income arising in the United Kingdom								Dividends, interest and other transfer payments					
	Gross trading profits[2]													
	Net of stock appreciation													
	N. Sea oil companies	Other companies	Total[3]	Stock appreciation	Before deducting stock appreciation	Rent and non-trading income	Income from abroad (net of taxes paid abroad)	Total income	Dividends on ordinary and preference shares[4]	Other[5]	Profits due abroad (net of UK tax)	UK taxes on income: payments[6]	Undistributed income[7]	Undistributed income adjusted for unremitted profits[7,8]
	CIDT	CIDU	AIAO	AIAP	AIAQ	AIAR	AIAS	AIAN	AIBA	AIAV	AIAW	AIAY	AAUQ	AIAZ
1980	8 056	17 572	25 628	5 394	31 022	3 886	5 082	39 990	3 326	8 848	4 424	5 706	17 686	18 445
1981	10 864	16 408	27 272	5 064	32 336	4 604	5 722	42 662	3 435	8 774	4 182	7 676	18 595	18 315
1982	12 726	20 739	33 465	3 511	36 976	4 796	5 647	47 419	4 155	9 654	3 973	9 198	20 439	19 900
1983	15 683	24 303	39 986	3 619	43 605	4 928	6 818	55 351	4 911	9 302	4 631	10 924	25 583	24 636
1984	19 009	27 464	46 473	4 119	50 592	5 558	8 738	64 888	4 977	10 567	5 535	12 750	31 059	30 381
1985	18 378	36 670	55 048	2 157	57 205	7 182	8 715	73 102	6 354	12 609	6 338	15 277	32 524	32 768
1986	8 421	42 096†	50 517†	1 470†	51 987†	7 712	7 997†	67 696†	8 381†	11 363†	4 342†	12 993	30 617†	28 133†
1987	9 524	47 781	57 305	4 165	61 470	7 938†	11 386	80 794	11 060	11 889	6 635	13 303†	37 907	36 253
1988	6 848	58 093	64 941	5 195	70 136	8 706	14 343	93 185	14 669	13 917	7 425	14 935	42 239	37 229
1989	6 452†	61 521	67 973	6 337	74 310	12 526	17 495	104 331	19 317	23 500	9 155	17 942	34 417	30 516
1982 Q1	2 638	4 374	7 012	929	7 941	1 278	1 338	10 557	1 212	2 443	1 008	2 116	3 778	3 288
Q2	3 067	5 589	8 656	759	9 415	1 244	1 338	11 997	1 037	2 486	927	2 464	5 083	4 909
Q3	3 497	5 145	8 642	900	9 542	1 147	1 367	12 056	1 012	2 366	930	2 454	5 294	5 116
Q4	3 524	5 631	9 155	923	10 078	1 127	1 604	12 809	894	2 359	1 108	2 164	6 284	6 587
1983 Q1	3 631	5 338	8 969	1 115	10 084	1 219	1 574	12 877	1 014	2 429	926	2 890	5 618	5 311
Q2	3 722	6 005	9 727	857	10 584	1 201	1 532	13 317	1 281	2 304	1 292	2 349	6 091	6 096
Q3	4 173	6 312	10 485	1 123	11 608	1 248	1 986	14 842	1 327	2 285	1 067	2 100	8 063	7 801
Q4	4 157	6 648	10 805	524	11 329	1 260	1 726	14 315	1 289	2 284	1 346	3 585	5 811	5 428
1984 Q1	4 210	6 515	10 725	1 033	11 758	1 332	1 941	15 031	1 058	2 287	1 371	2 904	7 411	7 762
Q2	4 695	6 498	11 193	1 253	12 446	1 279	1 914	15 639	1 392	2 505	1 471	3 022	7 249	7 390
Q3	4 879	7 236	12 115	717	12 832	1 490	2 496	16 818	1 229	2 930	1 518	3 224	7 917	7 846
Q4	5 225	7 215	12 440	1 116	13 556	1 457	2 387	17 400	1 298	2 845	1 175	3 600	8 482	7 383
1985 Q1	5 132	9 019	14 151	1 316	15 467	1 818	2 363	19 648	1 345	3 438	1 714	4 122	9 029	9 574
Q2	4 980	9 405	14 385	223	14 608	1 814	2 408	18 830	1 575	3 210	1 700	3 640	8 705	8 788
Q3	4 077	8 921	12 998	145	13 143	1 763	2 225	17 131	1 855	2 934	1 411	3 775	7 156	7 134
Q4	4 189	9 325	13 514	473	13 987	1 787	1 719	17 493	1 579	3 027	1 513	3 740	7 634	7 272
1986 Q1	3 127	9 866†	12 993†	-344†	12 649†	1 830	1 601	16 080†	1 757†	2 901†	926†	3 415†	7 081†	6 333†
Q2	1 686	10 418	12 104	-167	11 937	1 893	1 948†	15 778	2 171	2 711	1 089	4 015	5 792	5 322
Q3	1 632	10 911	12 543	744	13 287	1 956	2 186	17 429	2 159	2 728	1 043	2 253	9 246	8 779
Q4	1 976	10 901	12 877	1 237	14 114	2 033	2 262	18 409	2 294	3 023	1 284	3 310	8 498	7 699
1987 Q1	2 485	11 153	13 618	1 157	14 775	1 993†	2 598	19 366	2 562	2 922	1 685	2 811	9 386	8 915
Q2	2 356	11 680	14 036	1 178	15 214	1 901	2 843	19 958	2 641	2 812	1 555	3 391	9 559	8 974
Q3	2 495	12 122	14 617	1 042	15 659	1 967	2 946	20 572	2 732	3 054	1 684	3 696	9 406	8 839
Q4	2 208	12 826	15 034	788	15 822	2 077	2 999	20 898	3 125	3 101	1 711	3 405	9 556	9 525
1988 Q1	1 980	13 609	15 589	991	16 580	1 961	2 958	21 499	3 324	2 943	1 645	3 793	9 794	8 688
Q2	1 823	13 431	15 254	1 439	16 693	1 995	3 472	22 160	3 131	3 119	1 753	3 989	10 168	8 692
Q3	1 670	14 918	16 588	1 276	17 864	2 142	3 875	23 881	3 870	3 466	2 026	3 537	10 982	10 052
Q4	1 375	16 135	17 510	1 489	18 999	2 608	4 038	25 645	4 344	4 389	2 001	3 616	11 295	9 797
1989 Q1	1 472†	15 868	17 340	1 798	19 138	2 721	4 242	26 101	4 834	4 831	1 972	3 942	10 522	9 665
Q2	1 491	15 858	17 349	1 826	19 175	3 017	4 647	26 839	4 130	5 382	2 357	4 250	10 720	10 361
Q3	1 539	14 719	16 258	1 222	17 480	3 247	4 047	24 774	5 117	6 166	2 154	4 600	6 737	5 718
Q4	1 950	15 076	17 026	1 491	18 517	3 541	4 559	26 617	5 236	7 121	2 672	5 150	6 438	4 772

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987, British Steel from 2 December 1988 and water companies from 12 December 1989.

2 Gross trading profits of non-oil industrial and commercial companies include quarterly national accounts statistical adjustment. For details, see notes 2 and 3 in Notes to Editors section of 4th quarter 1989 Industrial and Commercial companies press notice, issued on 22 March 1990.

3 Before providing for depreciation.

4 Dividend payments on ordinary and preference shares are net of tax; the advance corporation tax in respect of these dividends is included in UK taxes on income. Excludes payments by UK subsidiaries to their overseas parents.

5 Including royalties and licence fees on oil and gas production.

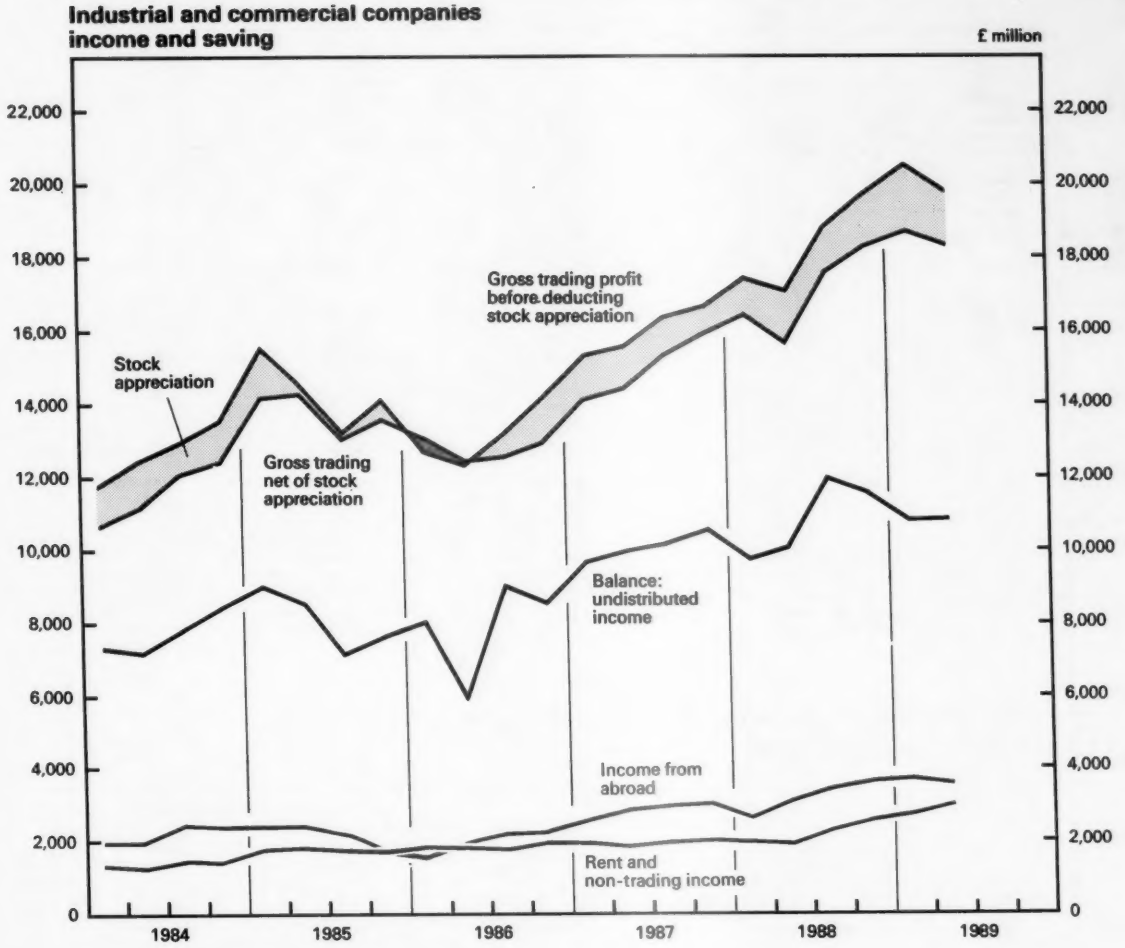
6 Mainly payments of corporation tax (including advance corporation tax) and petroleum revenue tax.

7 Before providing for depreciation, stock appreciation and additions to reserves.

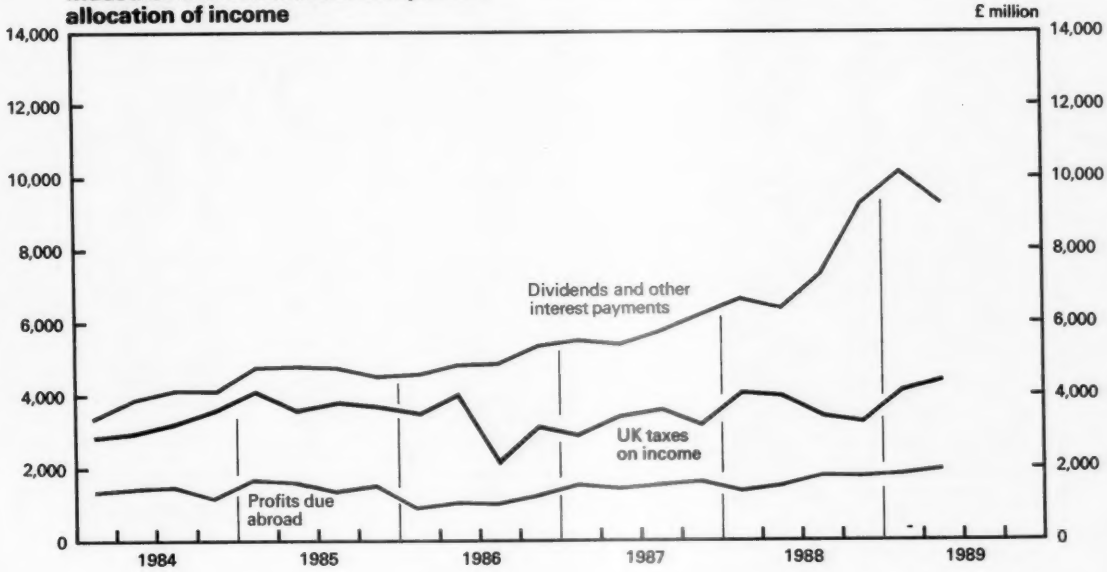
8 Excludes profits retained abroad by overseas subsidiaries of UK companies. Includes profits retained in the United Kingdom by subsidiaries of overseas companies.

Source: Central Statistical Office

Industrial and commercial companies income and saving



Industrial and commercial companies allocation of income



35 Capital account and financial surplus/deficit of industrial and commercial companies[1]

£ million

	Receipts					Expenditure				
	Undistributed income	Stock appreciation	Undistributed income less stock appreciation	Capital transfers	Total receipts[2]	Gross domestic fixed capital formation	Value of physical increase in stocks and work in progress[3]	Taxes on capital and other capital transfers	Total expenditure	Balance: financial surplus/ deficit
	AAUQ	AIAP	FMBC	CIDZ	FMBA	AAUS	FMBG	FMBH	FMBF	AAVG
1987	37 907†	4 165†	33 742†	511	34 253†	32 254†	1 781†	882	34 917†	-664†
1988	42 239	5 195	37 044	1 020	38 064	40 071	4 586	1 232†	45 889	-7 825
1989	34 417	6 337	28 080	540†	28 620	46 564	3 592	1 835	51 991	-23 371
1988 Q4	8 498†	1 237†	7 261†	167	7 428†	6 949	866†	213	8 028†	-600†
1989 Q1	9 386	1 157	8 229	186	8 415	7 242	-221	223	7 244	1 171
Q2	9 559	1 178	8 381	129	8 510	7 946	406	178	8 530	-20
Q3	9 406	1 042	8 364	91	8 455	8 282	622	215	9 119	-664
Q4	9 556	788	8 768	105	8 873	8 784†	974	266	10 024	-1 151
1988 Q1	9 794	991	8 803	124	8 927	9 125	905	379	10 409	-1 482
Q2	10 168	1 439	8 729	114	8 843	9 716	37	225†	9 978	-1 135
Q3	10 982	1 276	9 706	642	10 348	10 411	1 610	271	12 292	-1 944
Q4	11 295	1 489	9 806	140	9 946	10 819	2 034	357	13 210	-3 264
1989 Q1	10 522	1 798	8 724	179	8 903	11 281	1 933	549	13 763	-4 860
Q2	10 720	1 826	8 894	131†	9 025	11 555	1 294	287	13 136	-4 111
Q3	6 737	1 222	5 515	101	5 616	12 034	1 356	358	13 748	-8 132
Q4	6 438	1 491	4 947	129	5 076	11 694	-991	641	11 344	-6 268

1 Figures reflect privatisation of British Telecom with effect from 28 November 1984, British Gas from 3 December 1986, British Airways from 6 February 1987, Royal Ordnance from 22 April 1987, BAA from 16 July 1987, British Steel from 2 December 1988 and water companies from 12 December 1989.

2 After deducting stock appreciation but before providing for depreciation.

3 Including quarterly national accounts statistical adjustment. For details, see notes 2 and 3 in Notes to Editors section of 4th quarter 1989 Industrial and Commercial companies press notice, issued on 22 March 1990.

Source: Central Statistical Office

36 Financial transactions including net borrowing requirement of industrial and commercial companies[1]

£ million

	Transactions leading to net borrowing requirement						Financing of net borrowing requirement[4]				
							Borrowing from		Financial assets		
	Financial surplus/ deficit	Net unremitted profits[2]	Net identified trade and other credit[3,4]	Investment in UK company securities[5]	Investment abroad	Balancing item	Banks[6]	Other	Liquid	Other	Net borrowing requirement (NBR)
	1	*2*	*3*	*4*	*5*	*6*	*7*	*8*	*9*	*10*	*11*
	AAVG	-AICX	-AIDL	-AICC	-AIDC	-AAOB	-AANA	-AICT	-AICU	-AICV	-AICW
1986	1 413†	-2 484†	-782†	-2 602†	-5 946†	-981†	9 095	11 154†	-10 598†	1 731†	11 382†
1987	-664	-1 654	-44	-2 817	-16 455	-1 122	12 123	22 016	-8 717	-2 666	22 756
1988	-7 825	-5 010	-1 611	-10 167	-14 525	-3 138	31 049†	15 275	-5 518	1 470	42 276
1989	-23 371	-3 901	1 036	-15 531	-17 210	14 124	34 119	24 490	-14 127	371	44 853
			-ABKP			-AIDD	-AIDF	-AIDJ	-AIDG		-AIDI
1986 Q3	1 036†	-467†	-644†	-641	-2 911†	1 763†	1 530	2 538†	-4 881†	2 677†	1 864†
Q4	-600	-799	-139	-802†	-3 443	-1 642	4 854	3 499	328	-1 256	7 425
1987 Q1	1 171	-471	719	-358	-2 661	364	1 658	3 001	-2 421	-1 002	1 236
Q2	-20	-585	-635	-1 146	-4 883	3 239	2 068	4 507	-1 479	-1 066	4 030
Q3	-664	-567	332	-600	-6 851	-3 745	4 327	9 171	-1 189	-214	12 095
Q4	-1 151	-31	-432	-713	-2 060	-1 008	3 830	5 337	-3 388	-384	5 395
1988 Q1	-1 482	-1 106	646	-3 684	-3 978	-2 954	8 654	5 745	-1 961	120	12 558
Q2	-1 135	-1 476	-536	-2 268	-3 811	-2 050	7 446†	3 126	296	408	11 276
Q3	-1 944	-930	-166	-1 996	-2 126	-1 993	8 095	2 478	-2 291	873	9 155
Q4	-3 264	-1 498	-1 613	-2 219	-4 610	3 455	7 556	3 926	-1 802	69	9 749
1989 Q1	-4 860	-857	1 136	-2 565	-5 436	132	7 188	6 983	-3 915	2 194	12 450
Q2	-4 111	-359	-419	-1 132	-4 467	890	7 951	6 859	-4 843	-369	9 598
Q3	-8 132	-1 019	274	-7 845	-2 249	92	13 688	6 009	417	-1 235	18 879
Q4	-6 268	-1 666	-13	-3 989	-5 058	13 068	5 292	4 639	-5 786	-219	3 926

1 Inflows(+), outflows(-); relationships between columns: 1+2+3+4+5+6+7+8+9+10 = zero; 7+8+9+10 = 11.

2 Retained in UK (+); retained abroad (-).

3 Includes accruals adjustment.

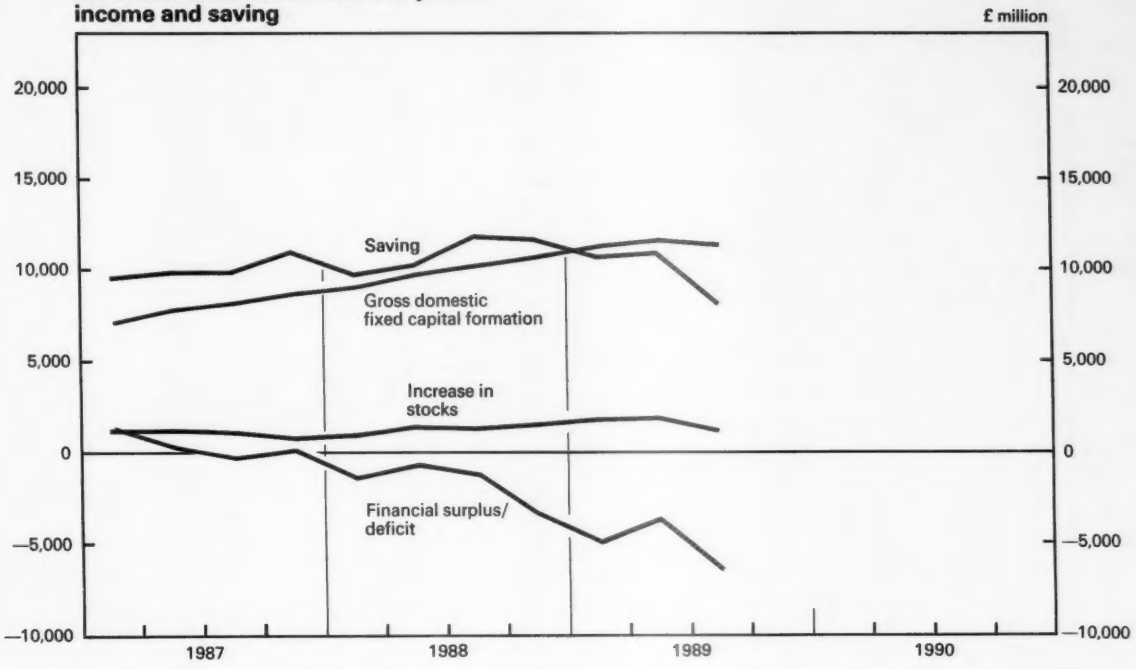
4 Seasonal adjustments include day-of-week adjustments. The quarterly figures therefore do not always sum to the annual totals.

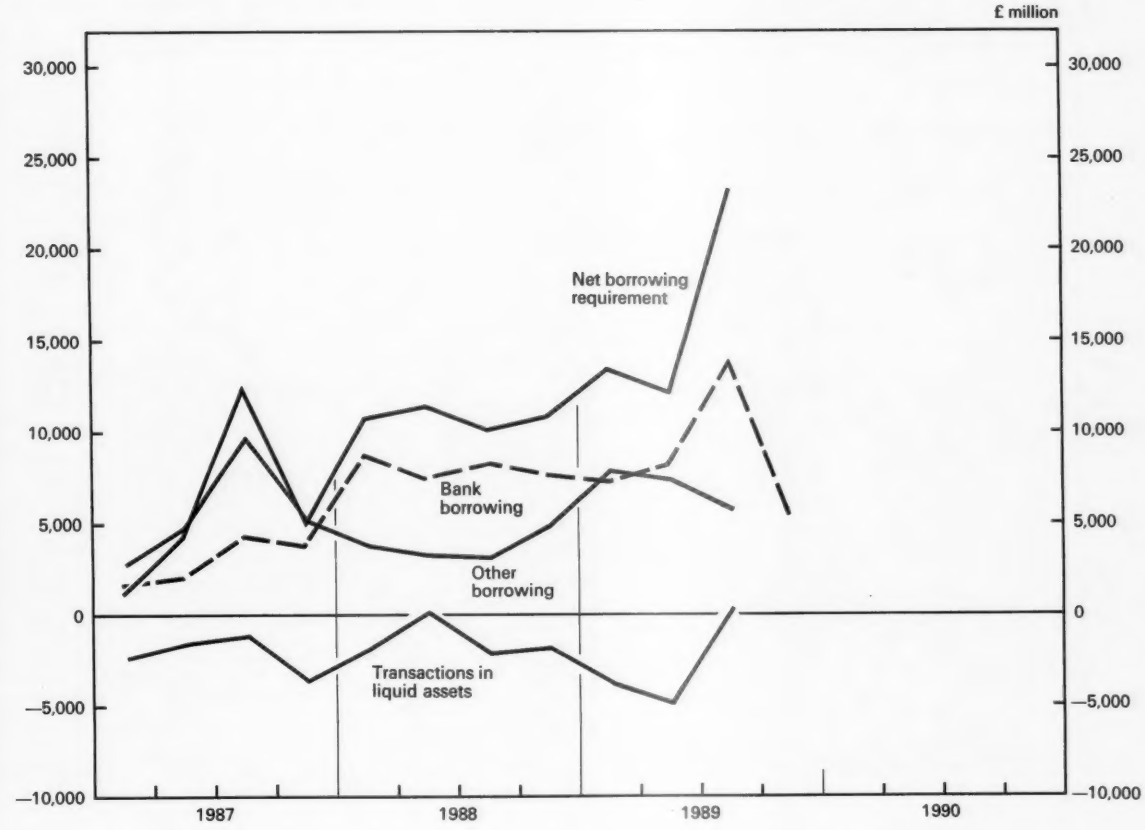
5 Cash expenditure on subsidiaries and trade investments in the United Kingdom.

6 Includes Bank of England Issue Department transactions in commercial bills.

Source: Central Statistical Office

Industrial and commercial companies income and saving





37 UK banks' lending to UK residents[1]

£ million

	Lending to public sector			Lending to private sector		
	Sterling	Other currencies	Total	Sterling	Other currencies	Total
Transactions						
	AEBT	VQAH	FPAA	VQAE	AECO	FPAD
1985	-2 126	404†	-1 722	20 968†	4 742	25 710
1986	605	30	635	30 450	8 252	38 702†
1987	-515	-347	-862	38 741	10 557	49 298
1988	-1 326	-566	-1 892	57 335	9 623	66 958
1989	-2 063†	-40	-2 103†	60 650	16 244†	76 895
1984 Q4	1 512	169†	1 681	5 052†	1 947	6 999
1985 Q1	-3 242	89	-3 153	6 235	3 227	9 462
Q2	-2 224	35	-2 189	5 008	1 382	6 390
Q3	1 502	22	1 524	4 462	-806	3 656
Q4	1 838	258	2 096	5 263	939	6 202
1986 Q1	656	1	657	6 684	2 362	9 046
Q2	-528	-69	-597	6 274	1 575	7 849
Q3	-923	195	-728	6 846	3 688	10 534
Q4	1 400	-97	1 303	10 646	627	11 273†
1987 Q1	679	220	899	6 771	7 136	13 907
Q2	-2 618	28	-2 590	8 835	4 738	13 573
Q3	-766	-80	-846	11 278	-1 156	10 122
Q4	2 190	-515	1 675	11 857	-161	11 696
1988 Q1	963	-761	202	12 857	1 834	14 691
Q2	-3 092	-130	-3 222	15 333	1 603	16 936
Q3	-1 737	1	-1 736	14 869	3 034	17 903
Q4	2 540	324	2 864	14 276	3 152	17 428
1989 Q1	-1 788	-198	-1 986†	14 301	6 505†	20 806
Q2	-396	72	-324	12 523	2 479	15 002
Q3	391	350	741	19 539	4 294	23 832
Q4	-270†	-264	-534	14 287	2 966	17 255

1 Seasonally adjusted data are shown on a calendar year basis whereas data in Tables 1, 29 and 30 are on a financial year basis. The quarterly figures do not necessarily add up to the (unadjusted) figures shown for the year as a whole. This is because as well as allowing for purely seasonal factors, the adjustments attempt to remove other distortions which do not necessarily cancel out over a year

Source: Bank of England

38 UK banks' loans, advances and acceptances to UK residents[1]

£ million

	Manufacturing	Other production	Financial	Services	Persons	Total loans, advances and acceptances
Amounts outstanding (November 1989):	51 325	26 635	103 583	114 893	116 935	413 371
Changes						
	FRAB	FRAC	FRAD	FRAE	FRAF	FRAA
1987 Feb	917	944	6 317	2 055	2 016	12 248
May	-1 035	1 674	7 258	3 388	3 517	14 801
Aug	578	-436	2 901	2 190	4 533	9 767
Nov	858	-230	3 527	4 268	4 513	12 938
1988 Feb	1 493	724	-1 318	5 216	3 109	9 224
May	2 537	892	2 195	4 824	4 429	14 878
Aug	4 346	751	834	4 785	5 548	16 263
Nov	2 824	1 482	5 701	6 552	3 792	20 352
1989 Feb	941	1 365	6 511	8 112	2 233	19 161
May	1 989	958	2 171	5 168	3 831	14 116
Aug[3]	4 585	2 150	4 830	7 457	2 707	21 732
Nov	1 501	315	4 655	7 325	2 720	16 516

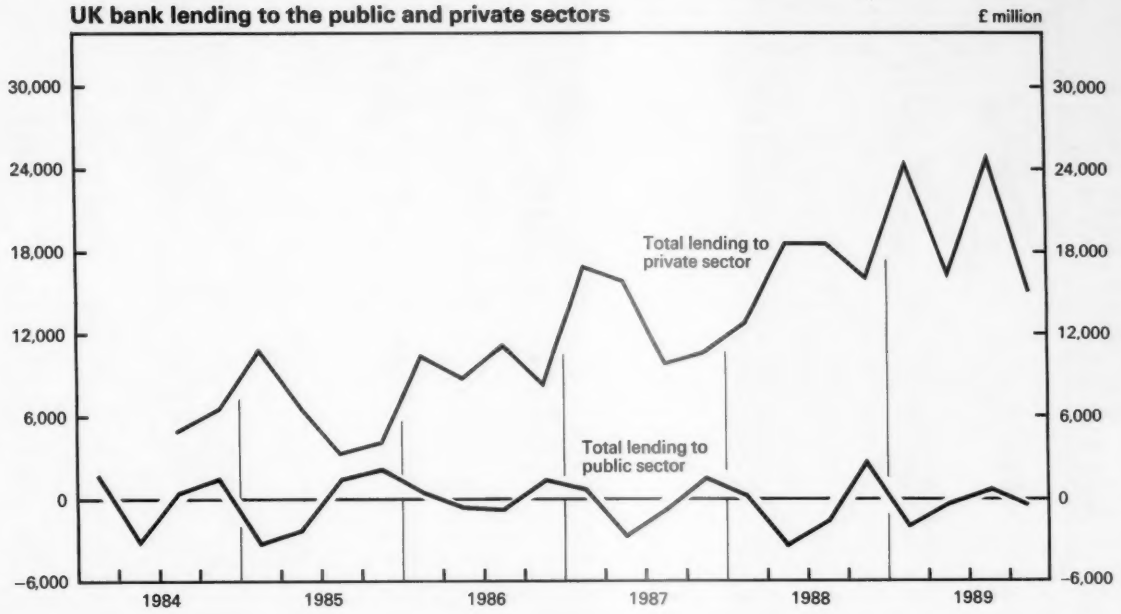
1 For a more detailed breakdown of these figures see *Financial Statistics* Table 6.6. The analysis covers loans, advances and acceptances in both sterling and foreign currencies (changes in the latter being adjusted for exchange rate movements) provided by banks to their customers and therefore does not include funds placed through the local authority money market or funds lent to monetary sector institutions. Acceptances are not granted to persons.

2 From November 1986 lending to securities dealers, stockbrokers and stockjobbers (including money placed with Stock Exchange money brokers and gilt-edged market makers) is included within the financial sector. Such lending was previously included in the services sector. Whilst the effect of this reclassification can be seen in the change shown for the services sector in the period August-November 1986, it is not possible to reflect it in the financial sector for the same period because the amount of outstanding lending to securities dealers etc. at August 1986 is not known.

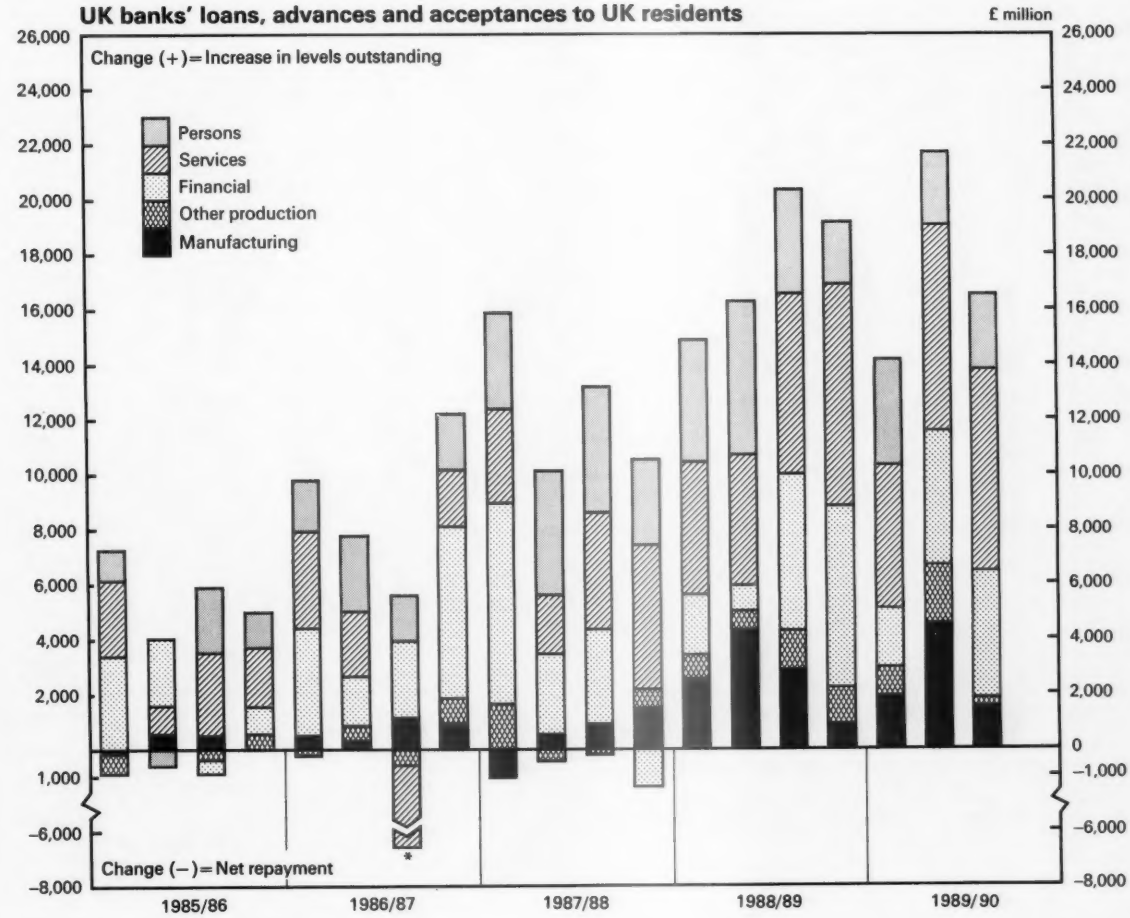
3 Changes in total lending in the three months to end-August 1989 exclude data from Abbey National plc. and Abbey National Treasury Services plc., who joined the reporting population at the beginning of July 1989. The levels for August 1989 include data for these two institutions.

Source: Bank of England

UK bank lending to the public and private sectors



UK banks' loans, advances and acceptances to UK residents



* See footnote[2] page 66 lower table

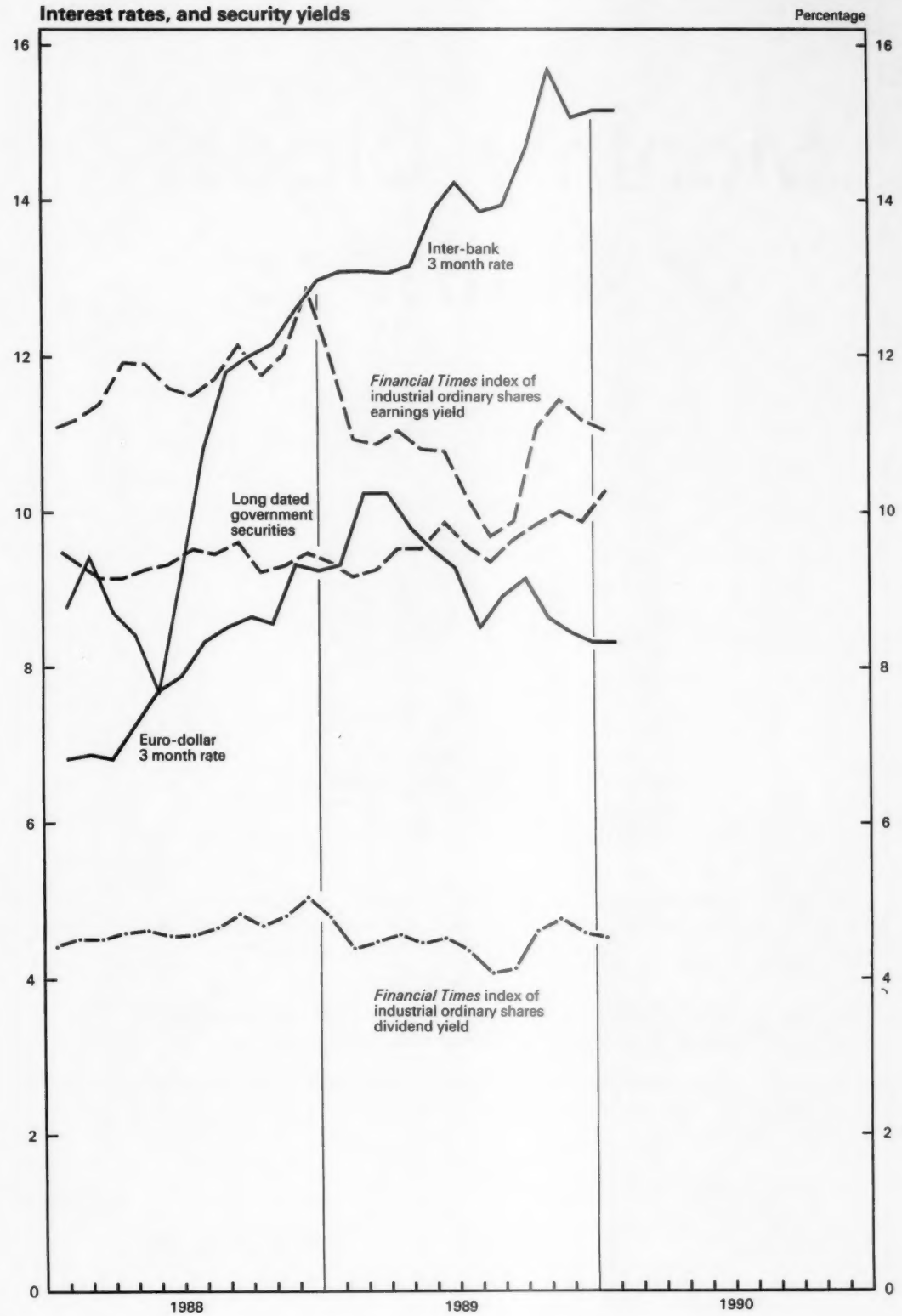
39 Interest rates, security prices and yields

Percentage rate

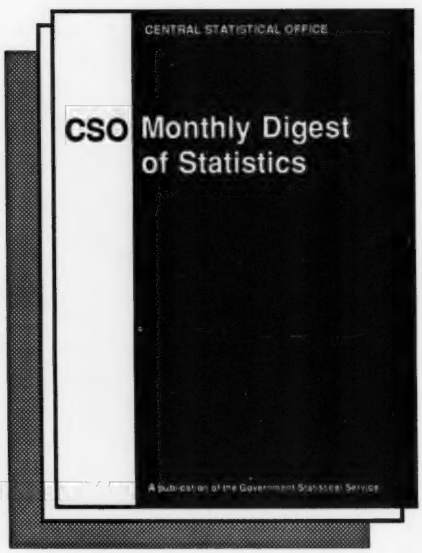
	Last Friday						Last working day		Average of working days			
			Selected retail banks							Financial Times index of industrial ordinary shares 1 July 1935 = 100		
	Treasury bill yield[1]	Deposits with local authorities - 3 months[2]	Base rate	Deposit account: 7 days' notice	Inter-bank 3 month rate[3]	Sterling certificates of deposit - 3 months	Euro-dollar 3 month rate	Building societies basic rate on shares[4]	British government securities: long dated[5] - 20 years	Price index	Dividend yield	Earnings yield
	AJNC	AJOI		AJNF			AJIB	AJNM	AJLX	AJMT	AJMU	AJMV
1983	9.04	9.31	9.00	5.50	9.34-9.41	9.25- 9.31	9.87	..	10.80	692.62	4.70	9.58
1984	9.33	10.13	9.50- 9.75	6.25	10.00-10.13	9.81- 9.94	8.62	6.75	10.69	854.87	4.66	10.76
1985	11.49	11.94	11.50	7.86	11.81-11.94	11.69-11.81	7.97	7.00	10.62	1 004.64	4.62	11.48
1986	10.94	11.31	11.00	6.92	11.31-11.34	11.00-11.13	6.31	5.99	9.87	1 287.11	4.25	10.16
1987	8.38	8.88	8.50	3.58	8.75-9.00	8.81- 8.88	7.25	4.02	9.47	1 600.01	3.73	8.98
1988	12.91	13.19	13.00	5.97	12.69-13.19	12.94-13.00	9.25	5.59	9.36	1 448.73	4.62	11.72
1989	14.66	15.03	15.00	6.59	15.13-15.16	15.03-15.09	8.31	6.57†	9.58†	1 781.41	4.46	10.80
1986 Apr	10.09	10.38	10.50	6.54	10.25-10.38	10.19-10.31	6.81	6.01	8.76	1 391.12	3.87	9.49
May	9.56	9.75	10.00	6.54	9.69-9.94	9.63- 9.75	7.09	6.00	9.00	1 331.60	4.10	10.20
Jun	9.52	9.75	10.00	6.54	9.75-9.88	9.66- 9.72	6.81	5.25	9.23	1 332.13	4.14	10.03
Jul	9.76	9.88	10.00	6.08	9.88-10.00	9.75- 9.88	6.44	5.25	9.37	1 309.62	4.21	10.14
Aug	9.56	9.81	10.00	6.08	9.81-9.94	9.63- 9.75	5.62	5.25	9.41	1 262.13	4.37	10.56
Sep	9.93	10.38	10.00	6.08	10.50-10.69	10.44-10.56	6.06	5.25	9.97	1 286.23	4.31	9.91
Oct	10.85	10.94	11.00	6.92	11.60-11.25	11-11.13	5.87	5.25	10.62	1 262.33	4.42	10.16
Nov	10.96	11.38	11.00	6.92	11.38-11.44	11.19-11.25	6.06	5.99	10.80	1 289.25	4.41	10.21
Dec	10.94	11.31	11.00	6.92	11.00-11.13	11-11.13	6.31	5.99	10.69	1 283.58	4.45	10.50
1987 Jan	10.85	11.00	11.00	6.92	11.00-11.13	10.88-11	6.19	5.99	10.09	1 392.63	4.12	9.68
Feb	10.46	10.75	11.00	6.92	10.69-10.81	10.69-10.75	6.37	5.99	9.83	1 529.60	3.72	8.72
Mar	9.54	9.87	10.00	5.60	9.69-9.81	9.63- 9.66	6.56	5.99	9.16	1 596.26	3.67	8.48
Apr	9.39	9.63	10.00	5.54	9.56-9.75	9.63- 9.69	7.06	5.99	9.12	1 554.78	3.77	8.58
May	8.68	8.75	9.00	4.69	8.81-8.94	8.69- 8.81	7.25	5.03	8.82	1 674.07	3.44	8.23
Jun	8.96	9.13	9.00	4.69	9.06-9.13	8.97- 9.03	7.12	5.00	8.90	1 759.78	3.25	7.83
Jul	9.14	9.25	10.00	4.69	9.19-9.44	9.03- 9.06	6.94	4.99	9.23	1 855.23	3.10	7.52
Aug	10.12	10.38	10.00	4.95	10.13-10.50	10.13-10.19	7.12	4.99	9.92	1 757.59	3.28	8.11
Sep	10.02	10.06	10.00	4.95	10.13-10.25	10-10.13	8.31	4.99	9.98	1 801.84	3.26	7.98
Oct	9.07	9.19	9.50	4.61	9.19-9.31	9.06- 9.19	7.62	4.99	9.88	1 645.30	3.75	9.22
Nov	8.67	8.88	9.00	4.12	8.88-9.03	8.78- 8.84	7.88	4.93	9.20	1 296.04	4.78	11.83
Dec	8.38	8.88	8.50	3.58	8.75-9.00	8.81- 8.88	7.25	4.02	9.57	1 337.02	4.67	11.58
1988 Jan	8.38	8.69	8.50	3.58	8.69-8.75	8.66- 8.72	6.81	4.00	9.57	1 419.37	4.39	11.02
Feb	9.01	9.25	9.00	4.04	9.19-9.63	9.13- 9.25	6.88	4.00	9.38	1 397.56	4.48	11.16
Mar	8.48	8.63	8.50	3.53	8.56-8.75	8.59- 8.66	6.81	4.00	9.12	1 446.73	4.48	11.37
Apr	7.98	8.50	8.00	2.92	8.25-8.50	8.38- 8.44	7.25	4.00	9.12	1 421.19	4.57	11.89
May	7.28	7.63	7.50	2.43	7.56-7.75	7.50- 7.56	7.68	3.51	9.27	1 427.45	4.59	11.86
Jun	9.24	8.88	9.00	3.07	8.94-9.44	9.06- 9.13	7.88	3.49	9.32	1 470.13	4.51	11.56
Jul	10.53	10.75	10.50	4.52	10.63-10.94	10.56-10.63	8.31	3.49	9.51	1 488.92	4.52	11.47
Aug	11.82	11.88	12.00	4.93	11.31-12.25	11.88-11.94	8.50	4.69	9.47	1 474.30	4.61	11.67
Sep	11.47	11.88	12.00	5.43	11.75-12.19	11.81-11.88	8.63	4.70	9.60	1 429.22	4.80	12.11
Oct	11.84	12.00	12.00	5.43	12.00-12.25	12.00-12.60	8.56	5.57	9.23	1 493.35	4.65	11.71
Nov	12.98	12.75	13.00	5.43	12.13-13.00	13.0-13.03	9.31	5.57	9.30	1 478.12	4.78	12.00
Dec	12.91	13.19	13.00	5.97	12.69-13.19	12.94-13.00	9.25	5.59	9.46	1 438.44	5.08	12.84
1989 Jan	12.70	12.81	13.00	5.97	13.00-13.13	12.94-13.19	9.31	5.87	9.35	1 543.53	4.76	11.96
Feb	12.91	13.00	13.00	5.97	12.94-13.19	12.94-13.06	10.25	6.06	9.15	1 676.22	4.37	10.90
Mar	12.79	13.00	13.00	5.97	12.94-13.13	12.94-13.00	10.25	6.06	9.26	1 710.70	4.45	10.83
Apr	12.62	12.81	13.00	5.97	12.88-13.38	12.75-12.88	9.81	6.06	9.52	1 700.63	4.55	11.03
May	13.35	13.81	14.00	5.97	13.81-13.88	13.69-13.81	9.50	6.06	9.52	1 775.56	4.43	10.79
Jun	13.71	14.06	14.00	5.97	14.19-14.25	13.94-14.06	9.25	6.06	9.88	1 779.72	4.50	10.77
Jul	13.32	13.88	14.00	5.97	13.81-13.88	13.78-13.84	8.50	6.04	9.53	1 863.30	4.34	10.16
Aug	13.44	13.88	14.00	5.97	13.88-13.94	13.81-13.88	8.94	6.04	9.37	1 960.27	4.05	9.66
Sep	13.53	14.38	14.00	5.97	14.63-14.69	14.13-14.38	9.13	6.04	9.62	1 958.98	4.10	9.85
Oct	14.54	15.63	15.00	5.97	15.63-15.75	15.5-15.63	8.63	6.10	9.81	1 786.75	4.60	11.06
Nov	14.62	15.00	15.00	6.59	15.03-15.06	15-15.06	8.44	6.57	9.99	1 758.02	4.75	11.42
Dec	14.66	15.03	15.00	6.59	15.13-15.16	15.03-15.09	8.31	6.57†	9.96†	1 863.28	4.57	11.14
1990 Jan	14.63†	15.06†	15.00	6.59†	15.13-15.19	15.00-15.16	8.31†	6.57	10.28	1 894.20†	4.51†	11.00†
Feb	14.45	15.00	15.00	6.59	15.09-15.13	15.00-15.06	8.31	..	10.72	1 816.79	4.76	11.47

1 Average discount rate expressed as the rate at which interest is earned during the life of the bills.
2 For a minimum term of 3 months and thereafter at 7 days' notice.
3 Spread of rates over the day in the inter-bank sterling market; from June 1982 rates are the spread at 10.30 am.
4 The series comprises a weighted average of basic rates offered by the largest societies. The rates are net of income tax where this is paid by societies at the agreed composite rate.
5 Averages of Wednesdays until February 1980; from March 1980 figures are the average of all observations (3 a week); from January 1982 average of working days. Calculated gross redemption yields - see *Financial Statistics Explanatory Handbook*.

Sources: Central Statistical Office; Bank of England; HM Treasury; Building Societies Commission; Financial Times; Institute of Actuaries; Faculty of Actuaries


Interest rates, and security yields
Percentage
16
14
12
10
8
6
4
2
0
Inter-bank
3 month rate
Financial Times index of
industrial ordinary shares
earnings yield
Long dated
government
securities
Euro-dollar
3 month rate
Financial Times index of
industrial ordinary shares
dividend yield
1988
1989
1990

Monthly Digest of Statistics



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The Monthly Digest of Statistics contains mostly runs of monthly and quarterly estimates for at least two years and annual figures for several more.

The Monthly Digest Annual Supplement gives definitions and explanatory notes for each section. An index of sources is included.

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Cyclical indicators for the UK economy

Recent movements of the indices

The cyclical movements in the economy since the 1981 trough are significantly smaller than those seen in the 1970s and somewhat smaller than those seen in the 1960s. The small size of the cyclical movements over recent years reflects the fact that during this period GDP growth was exceptionally steady by historical standards.

The most recent dated turning point is the peak provisionally placed in August 1988. The two leading indices and the coincident index have been declining for some time and the lagging index is now showing a fall. This pattern suggests that the economy has entered a period of slower growth. It should be borne in mind that recent values of the indices are subject to revision as later information modifies the assessment of current trend.

A first estimate of the longer leading index to January 1990 is now available. The longer leading and coincident indices, available to January 1990, and the lagging index, available to December 1989, incorporate additional information.

The longer leading index fell sharply between mid-1987 and mid-1989, influenced first by share prices, then interest rates and companies' financial surpluses, and more recently by manufacturers' optimism as reported by the CBI and by housing starts. Between mid-1989 and January 1990 the index has declined more slowly because of strong growth in share prices and no further significant rises in interest rates.

The provisional shorter leading index fell in January compared with its December level, influenced by new car registrations and consumer credit.

The coincident index, which this month incorporates GDP for the fourth quarter of 1989, continues to fall. The less steep decline in recent months is probably a temporary feature, reflecting in part the high level of retail sales at the turn of the year.

The lagging index is showing a peak in mid-1989, which is consistent with the provisional peak in the coincident index in August 1988. It is now on a downward path.

Definitions

This section shows a reference chronology of peaks and troughs representing growth cycles in the UK economy, together with groups of indicator series which have in the past had a consistent timing relationship with the reference cycle. Growth cycles are defined as cyclical movements in the deviations from a long-trend; thus, the contraction phase of a growth cycle occurs when the rate of growth is below this long-term value.

The historical reference chronology has been determined by examination of a range of series covering aggregate economic activity. Known special economic and climatic factors were discounted in judging the location of reference turning points. The indicators forming each group have been chosen because they have had a consistent timing relationship to the reference chronology, and because there is a economic rationale to account for this relationship.

A composite index for each group of indicators series is formed by subtracting from each series the value of its long-term trend, then taking a simple average of the trend-eliminated series after smoothing and scaling them to give cycles of similar amplitude, and inverting them where appropriate.

Precise details on data availability for each of the component series used in the compilation of the indicators is shown in Table B.

Table A - Recent movements of the indicators

		Longer Leading (5 component series) DKBR	Shorter Leading (5 component series) DKBS	Coincident (5 component series) DKBP	Lagging (5 component series) DKBQ
1987	Feb	104.0	98.9	97.3	95.4
	Mar	104.7	99.5	98.2	95.5
	Apr	105.1	100.0	98.8	95.4
	May	105.9	100.7	99.6	95.8
	June	106.9	101.3	100.6	96.3
	July	107.3	102.0	101.6	96.6
	Aug	107.0	102.4	102.2	96.9
	Sept	106.9	102.7	102.4	97.2
	Oct	106.2	103.1	102.5	97.4
	Nov	105.1	103.4	103.0	97.8
	Dec	105.0	103.4	103.6	97.8
1988	Jan	104.6	103.9	104.2	98.6
	Feb	104.4	103.8	104.8	98.6
	March	104.3	103.8	104.8	99.3
	April	104.3	104.1	105.1	100.0
	May	104.4	104.2	105.3	100.7
	June	103.9	105.2	106.1	100.6
	July	103.3	106.2	106.5	100.8
	Aug	102.7	106.3	106.6	100.8
	Sep	102.3	106.3	106.0	100.5
	Oct	102.2	105.8	105.3	100.0
	Nov	101.9	104.6	104.7	100.1
	Dec	101.3	104.1	104.6	100.4
1989	Jan	100.8	103.6	104.4	102.0
	Feb	100.1	103.1	104.0	102.3
	Mar	99.0	102.6	103.3	103.2
	Apr	97.7	102.0	102.3	104.6
	May	96.8	102.0	101.1	104.8
	June	96.0	102.2	100.5	104.4
	July	95.6	101.7	100.3	104.1
	Aug	95.5	100.2	99.8	104.2
	Sep	95.5	99.5	99.5	104.0
	Oct	95.0	98.3	99.1	103.5
	Nov	94.8	97.8	98.8	103.0
	Dec	94.9	98.2	98.7	102.8
1990	Jan	94.6	98.1 (4)	98.7 (4)	

1 A full explanation of the methodology used is given in *Economic Trends*, No. 257, March 1975 and No. 271, May 1976. Each month two charts of the composite indicators are published with, in the February May, August and November issues, a further ten pages showing individual indicator series.

2 Values of the composite indices are published in order to show more precisely the shape of the graphs in recent months. The values are subject to revision each month, both because of revisions to the series from which they are formed and because of the nature of the trend-elimination process used in the calculation; the values of the indices have no intrinsic meaning but positive values indicate that an index is above its long term trend and negative values indicate that it is below its long term trend. The method of calculation for the indices means that they lie in the range 80 to 120. On the charts the parts of the curves which are liable to revision in the trend-elimination process are shown in pecked lines; where the composite indices are based on an in complete set of indicators, the curves are shown as dotted lines. Additional tables giving the value of all series used are available from the CSO: 01-270 5966.

3 This table is based on monthly and quarterly data available to 16 March.

4 Bracketed figures show the number of series available where the index is incomplete.

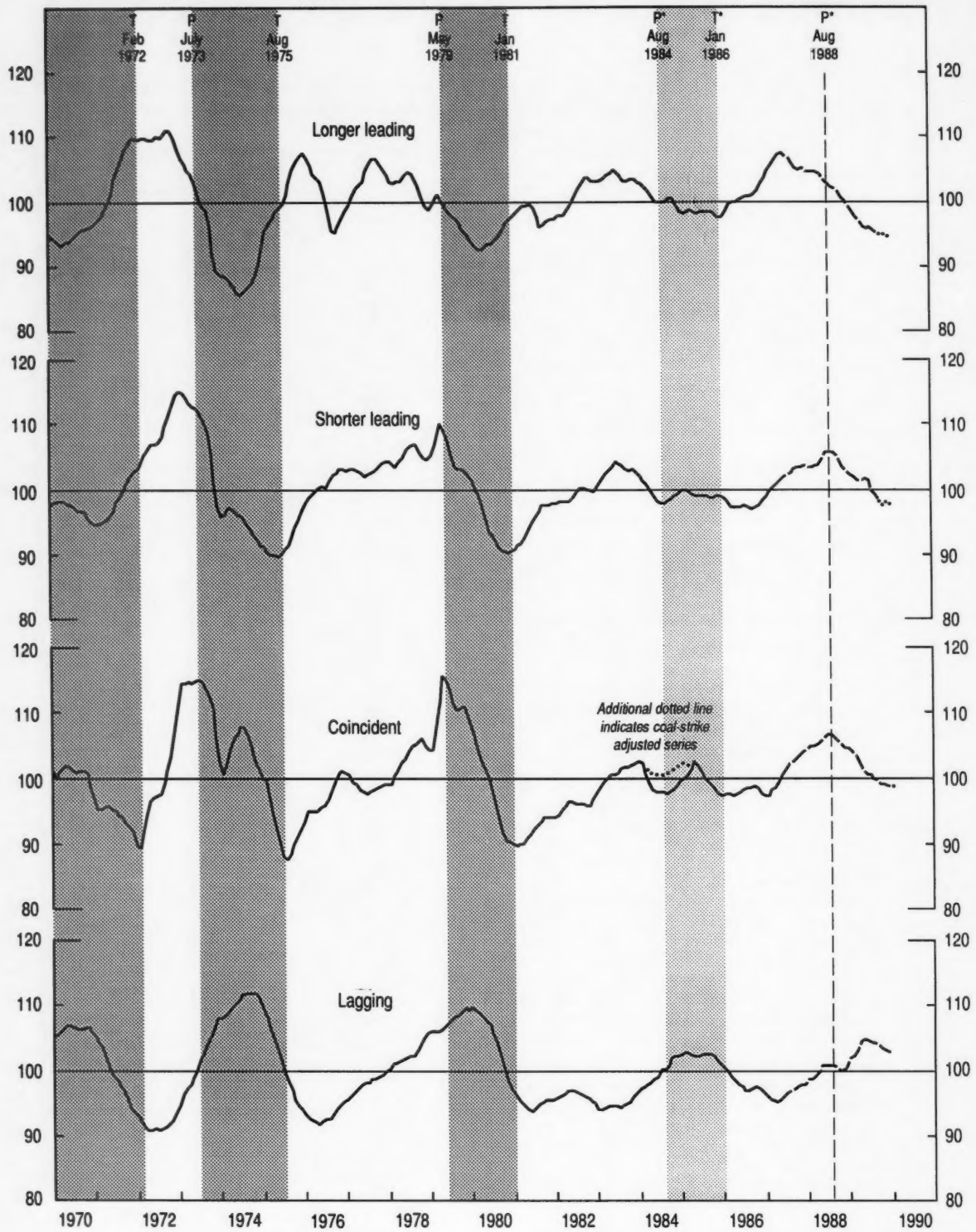
5 The index numbers given here are for comparative purposes only and should not be regarded as accurate to the last digit shown.

6 Longer runs of the indices and their component series are available from the CSO Databank or on subscription from the CSO.

7 When a value for an index is first published it is usually based on incomplete information. Previous practice was to publish a provisional index value provided that at least two constituent series were available but this led to substantial revisions to the index as more data became available. From this month an index will only be published if at least three series are available, which will reduce the scale of revisions at the cost of, on occasions, delaying the publication of an index value by one month.

Cyclical indicators

Composite indices of indicator groups. **Long term trend=100**



Subject to revision due to trend re-estimation

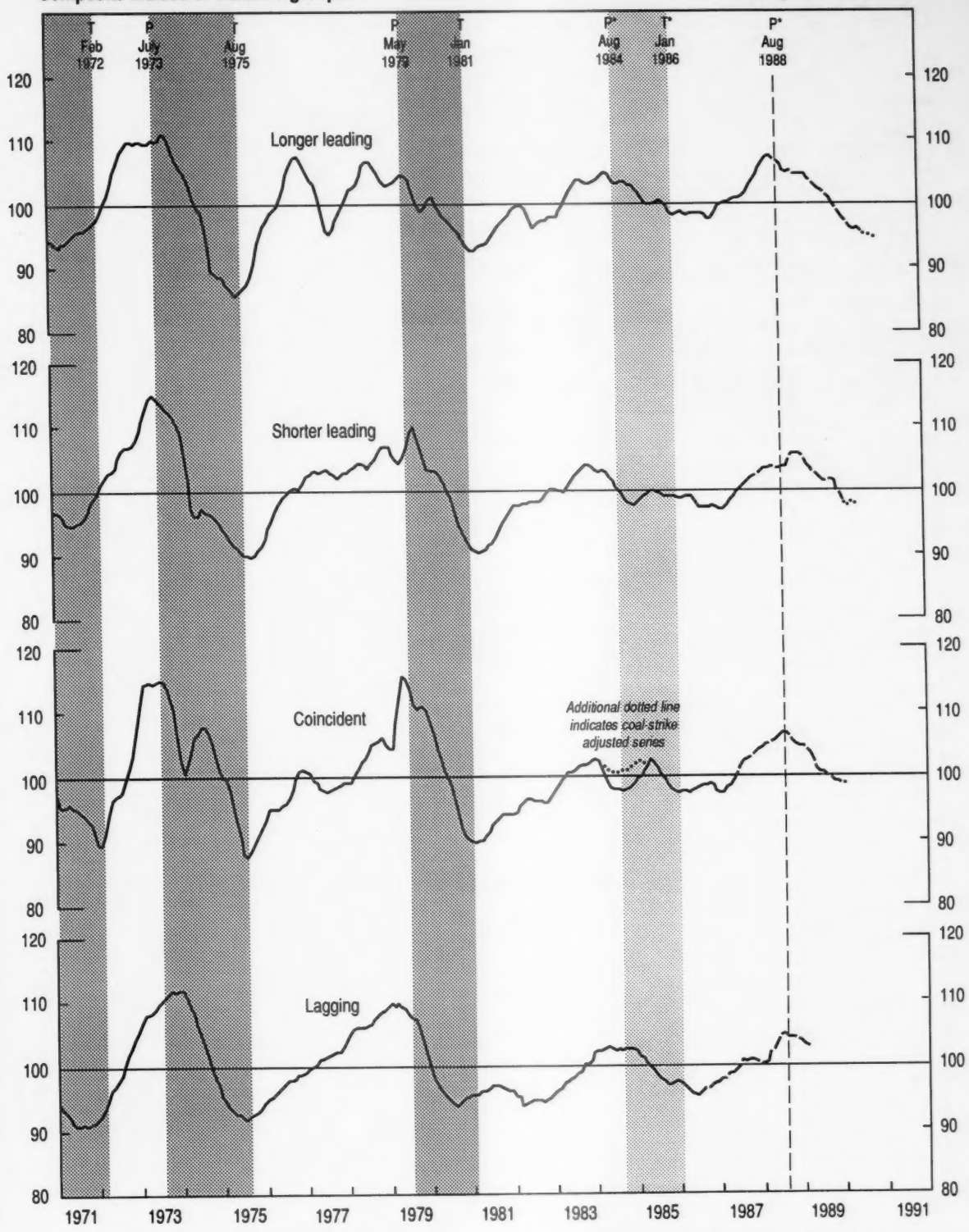
Based on incomplete data

*These turning points are less marked than previous peaks and troughs

Cyclical indicators with leads and lags applied[1]

Composite indices of indicator groups.

Long term trend=100



——— Subject to revision due to trend re-estimation

····· Based on incomplete data

*These turning points are less marked than previous peaks and troughs

1. The longer leading index has been advanced by 11 months, the shorter leading index has been advanced by 4 months and the lagging index has been moved back by 10 months. This allows a comparison based on past experience, of whether the indices are in step.

Table B - The indicators: their timing characteristics and data availability

		Latest data included	Timing relative to reference cycle dates[1] (-) leads (+) lags months		
			Median	Earliest	Latest
Indicators					
Longer leading					
Composite longer leading index	DKBR	January 1990	-11	-39	0
Component series:					
Financial surplus/deficit, industrial and commercial companies, divided by GDP deflator (£m)	DKDJ	Q4 1989	-15	-39	+13
CBI quarterly survey: change in optimism[1] (percentage balance)	DKDK	Q1 1990	- 8	-34	- 4
Financial Times - Actuaries 500 share index[2] April 1962=100	DKDI	February 1990	- 8	-20	+ 9
Rate of interest, 3 months prime bank bills	DKDH	February 1990	-17	-28	- 5
Total dwellings started, Great Britain (Thous)	DKBW	January 1990	-12	-40	+ 2
Shorter leading					
Composite shorter leading index	DKBS	January 1990	- 4	-18	+ 2
Component series:					
Credit extended by finance houses, retailers and other credit grantors £m, 1987 prices	DKCA	January 1990	- 5	-19	+ 4
Gross trading profits of companies,excluding stock appreciation and mineral oil and natural gas extraction, divided by GDP deflator (£m)	DKDL	Q4 1989	-10	-27	+ 9
New car registrations (Thous)	DKBY	January 1990	- 4	-26	+ 7
CBI quarterly survey: change in new orders (percentage balance)	DKDM	Q1 1990	- 6	-28	0
CBI quarterly survey: expected change in stocks of materials (percentage balance)	DKDN	Q1 1990	- 5	-36	- 3
Coincident					
Composite coincident index	DKBP	January 1990	N/A	N/A	N/A
Component series:					
GDP(A) Factor Cost Constant prices, 1985=100	DKHJ	Q4 1989	0	- 15	+ 9
Output of the production industries (1985=100)	DVIM	January 1990	0	- 7	+ 1
CBI quarterly survey: below capacity[3] utilisation (percentage)	DKCE	Q1 1990	+ 1	- 4	+ 8
Index of volume of retail sales (1985=100)	FAAM	February 1990	0	-15	+20
CBI quarterly survey: change in stocks of[3] raw materials (percentage balance)	DKDO	Q1 1990	- 1	- 9	+ 5
Lagging					
Composite lagging index	DKBQ	December 1989	+ 10	+ 1	+17
Component series:					
Adult Unemployment index (1985=100)[2]	DKDP	February 1990	+ 6	+ 1	+20
Employment in manufacturing industries United Kingdom (thous)	DKDQ	January 1990	+ 9	+ 1	+26
Investment in plant and machinery, manufacturing industry (£m, 1985 prices)	DKCK	Q4 1989	+ 9	+ 1	+18
Engineering industries, volume index for orders on hand (Average 1985=100)	DKCJ	December 1989	+10	- 5	+16
Level of stocks and work in progress, manufacturing industry (£m, 1985 prices)	DKCI	Q4 1989	+12	+4	+21

All series seasonally adjusted, unless otherwise indicated.

Source: Central Statistical Office

1 Assessed on performance up to last identified peak, August 1988.
2 Adjusted for changes in coverage.
3 Not seasonally adjusted.

Measures of variability of selected economic series[1]

	Table	Period covered	Average percentage changes $\overline{CI}$	$\overline{I}$	$\overline{C}$	$\overline{I}/\overline{C}$	MCD or QCD	$\overline{I}/\overline{C}$ for MCD (or QCD) span
Quarterly series								
National income and components at 1985 prices								
GDP, factor cost								
Expenditure-based	2	Q1 1975 to Q2 1989	*1.1*	*0.7*	*0.8*	1.0	1	1.0
Income-based	2	Q1 1975 to Q2 1989	*1.1*	*0.6*	*0.8*	0.7	1	0.7
Output-based	2,17	Q1 1975 to Q2 1989	*1.0*	*0.4*	*0.8*	0.5	1	0.5
Average estimate	2	Q1 1975 to Q2 1989	*1.0*	*0.4*	*0.8*	0.5	1	0.5
Consumers' expenditure	3,4,5	Q1 1975 to Q2 1989	*1.2*	*0.6*	*0.9*	0.7	1	0.7
Fixed capital formation								
Total	3,9	Q1 1975 to Q2 1989	*2.4*	*1.4*	*1.6*	0.8	1	0.8
Manufacturing industry	10	Q1 1975 to Q2 1989	*3.8*	*2.0*	*2.8*	0.7	1	0.7
Stockbuilding[2]								
Total	3,13	Q1 1975 to Q2 1989	*590.6*	*416.4*	*347.4*	1.2	2	0.5
Manufacturing	13	Q1 1975 to Q2 1989	*346.5*	*215.8*	*189.5*	1.1	2	0.6
Exports: goods and services	3	Q1 1975 to Q2 1989	*2.4*	*1.7*	*1.5*	1.1	2	0.5
Imports: goods and services	3	Q1 1975 to Q2 1989	*3.1*	*1.7*	*2.3*	0.7	1	0.7
Real personal disposable income	4	Q1 1975 to Q2 1989	*1.4*	*1.0*	*1.0*	1.0	1	1.0
Other national income series								
Gross trading profits and trading surplus of corporate sector	34	Q1 1975 to Q2 1989	*6.1*	*3.1*	*4.5*	0.7	1	0.7
Other quarterly series								
Construction output[3]	18	Q1 1975 to Q2 1989	*2.1*	*1.3*	*1.4*	0.9	1	0.9
Public sector borrowing requirement[4]	32	Q1 1975 to Q2 1989	*962.6*	*741.9*	*447.7*	1.7	2	0.8
Personal saving ratio[5]	4	Q1 1975 to Q2 1989	*1.3*	*1.1*	*0.6*	1.6	2	0.6
Monthly series								
Retail sales (volume per week)								
Food retailers	6	Jan 1971 to Feb 1989	*0.9*	*0.8*	*0.3*	3.0	3	1.0
Mixed retail businesses	6	Jan 1971 to Feb 1989	*2.0*	*1.9*	*0.5*	3.8	4	1.0
Clothing and footwear retailers	6	Jan 1971 to Feb 1989	*2.4*	*2.3*	*0.6*	3.9	4	0.9
Household goods retailers	6	Jan 1971 to Feb 1989	*2.4*	*2.3*	*0.8*	2.9	4	0.9
Other non-food retailers	6	Jan 1971 to Feb 1989	*1.4*	*1.4*	*0.4*	3.5	4	0.9
Cars: new registrations	6	Jan 1975 to Dec 1988	*8.0*	*7.9*	*0.8*	10.1	6	1.8
Housing: public authorities[6]								
Starts	12	Jan 1958 to Dec 1987	*12.6*	*12.4*	*1.9*	6.5	6	1.2
Completions	12	Jan 1958 to Dec 1987	*8.8*	*8.7*	*1.3*	6.6	6	1.1
Housing: private[6]								
Starts	12	Jan 1958 to Dec 1987	*9.8*	*9.6*	*1.8*	5.3	6	1.0
Completions	12	Jan 1958 to Dec 1987	*6.2*	*6.2*	*1.0*	6.5	6	1.1
Index of industrial production:								
Production industries	1,16,17	Jan 1978 to Jun 1989	*1.1*	*1.0*	*0.4*	2.4	3	0.8
Manufacturing industries	16,17	Jan 1978 to Jun 1989	*1.4*	*1.3*	*0.4*	2.8	3	0.9
Passenger car production:								
Home market	19	Jan 1976 to Dec 1988	*6.9*	*6.6*	*1.4*	5.1	5	0.8
Export	19	Jan 1976 to Dec 1988	*12.9*	*12.5*	*2.7*	4.6	6	0.9
Commercial vehicle production:								
Home market	19	Jan 1976 to Dec 1988	*9.0*	*8.3*	*2.6*	3.2	4	0.6
Export	19	Jan 1976 to Dec 1988	*9.3*	*8.9*	*2.4*	3.7	4	0.6
Unemployed males - consistent series, 18 and over[7]	1,21	Jan 1971 to Aug 1989	*16.5*	*4.5*	*15.5*	0.3	1	0.3
Unemployed females - consistent series, 18 and over[7]	1,21	Jan 1971 to Aug 1989	*6.8*	*1.8*	*6.5*	0.3	1	0.3
Vacancies unfilled at job centres[7]	1,21	Apr 1978 to Sep 1989	*4.0*	*1.9*	*3.2*	0.6	1	0.6
Average earnings: whole economy	23	Jan 1980 to Jan 1988	*0.9*	*0.5*	*0.7*	0.7	1	0.7
Exports: value, f.o.b.[8]	27	Jan 1980 to Dec 1988	*3.2*	*3.0*	*0.9*	3.3	3	0.5
Imports: value, f.o.b.[8]	27	Jan 1980 to Dec 1988	*3.9*	*3.5*	*1.4*	2.5	2	0.9
Money stock - £M0[9]	29	Jun 1969 to May 1989	*0.8*	*0.5*	*0.6*	0.9	1	0.9
Money stock - £M4[9]	1,29	Jun 1982 to May 1989	*1.17*	*0.4*	*1.2*	0.3	1	0.3

1 For a complete description of these measures see article 'Measuring variability in economic time series' in *Economic Trends*, No 226, August 1972.
The following are brief definitions of the measures.
$\overline{CI}$ is the average month to month (quarter to quarter for quarterly series) percentage change without regard to sign, in the seasonally adjusted series.
$\overline{C}$ is the same for the trend component, a smooth flexible moving average of the seasonally adjusted series.
$\overline{I}$ is the same for the irregular component, obtained by dividing the trend component into the seasonally adjusted series, except for those series which are seasonally adjusted using an additive model, see footnotes 2,4,6 and 8.
$\overline{I}/\overline{C}$ is therefore a measure of the size of the relative irregularity of the seasonally adjusted series.
The average changes $\overline{I}$ and $\overline{C}$ can also be computed successively over spans of increasing numbers of months (quarters). MCD (QCD), months (quarters) for cyclical dominance, is the shortest span of months (quarters) for which $\overline{I}/\overline{C}$ is less than 1 and therefore represents the minimum period over which changes in the trend are, on average, greater than the irregular movement.
MCD cannot exceed 6 even if $\overline{I}/\overline{C}$ exceeds 1 for 6-month periods.

2 The figures in the table were obtained from an additive analysis of stock changes so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of £ million. At present, seasonal adjustment of the published stocks series is performed multiplicatively on the level of stocks.

3 Series relates to Great Britain.

4 The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in units of £ million.

5 The figures in the tables were obtained from an additive analysis of the personal saving ratio so $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are differences in percentage points.

6 Series relate to Great Britain, though variability measures calculated from England and Wales component.

7 Series relate to Great Britain and may be found in Tables 2.2 and 3.2 of *Employment Gazette*.
The seasonal adjustment is additive, so the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are not percentage changes but differences in units of thousands.

8 The figures have been updated as described in an article in *Economic Trends*, No 320, June 1980.

9 As the irregular component for £M0 and £M4 levels is obtained by subtraction of the trend rather than by division, the figures for $\overline{CI}$, $\overline{I}$ and $\overline{C}$ are expressed as percentages of the trend level in the preceding month.

Source: Central Statistical Office

United Kingdom Balance of Payments: preliminary figures for fourth quarter and year 1989

Current account

In 1989, the deficit is preliminary estimated to be £20.9 billion (£15.0 billion in 1988).

In the fourth quarter the deficit (seasonally adjusted) was £5.1 billion (£6.3 billion in the third quarter).

Capital account and balancing item

Figures of transactions in external assets and liabilities - which should (with sign reversed) equal the current balance before seasonal adjustment - are not yet complete. The available data show a net identified inflow of £4.3 billion in 1989, producing a balancing item of £16.5 billion. In the fourth quarter, there is an estimated capital outflow of £5.8 billion, and a balancing item of £10.1 billion.

There have been substantial positive balancing items in the accounts for the past four years. This persistence inevitably throws doubt on the quality of the figures in the accounts in these years and must be borne in mind when interpreting them (Table A2).

Substantial revisions have been made to the capital account figures in recent periods.

Visible trade (Table A2)

The 1989 deficit of £23.1 billion (£20.8 billion in 1988) comprised a surplus of £1.5 billion in oil and deficit of £24.6 in non-oil trade.

The deficit of £4.4 billion in the fourth quarter comprised a surplus of £0.6 billion on trade in oil (the highest in 1989) and a deficit of £5.0 billion on non-oil trade (£6.8 billion in the third quarter).

Invisibles (Table A4)

The lower surplus on invisibles for 1989 (£2.3 billion compared with £5.8 billion in 1988) reflected mainly lower net investment income and an increase in the deficit on transfers.

There was a deficit in the fourth quarter of £0.7 billion. The surplus on services (£0.8 billion) was £0.2 billion less than in the third quarter. The surplus on investment income (£0.2 billion) was also less than in the third quarter (£0.5 billion). The deficit on transfers increased to £1.7 billion (£1.4 billion in the third quarter).

Services (Table A5)

The surplus on services in 1989 (£4.0 billion) was little different from that in 1988.

The surplus on services in the fourth quarter (£0.8 billion) was £0.2 billion lower than in the previous quarter. This reflected increased expenditure by UK visitors abroad and a smaller surplus for financial and other services (especially insurance), partly offset by reduced deficits in the transportation accounts.

Interest, profits and dividends (Table A6)

The 1989 surplus was £3.0 billion (£5.3 billion in 1988 and £4.2 billion in 1987). The figures incorporate adjustments to the estimates of interest paid overseas on UK company bonds, etc, to reflect the revised levels of estimated overseas investment.

The surplus in the fourth quarter (£0.2 billion) was £0.3 billion lower than in the third quarter.

Transfers (Table A7)

The 1989 deficit was £4.7 billion (£3.6 billion in 1988).

The deficit in the fourth quarter (£1.7 billion) was higher than in the third quarter (£1.4 billion), following a large payment to the European Community (EC) budget following the annual reassessment of our contributions in earlier years.

Transactions in assets and liabilities (Table A8)

The 1989 total for direct investment overseas (£19.2 billion) was lower than in 1988 (£20.8 billion). Direct investment in the UK in 1989 (£15.8 billion) was substantially higher than in the previous two years.

Direct investment overseas in the fourth quarter (£4.2 billion) remained at a high level, while overseas direct investment in the UK increased to £3.3 billion (£2.2 billion in the third quarter).

In 1989 there was a very large increase in portfolio investment overseas (£37.8 billion compared with £9.9 billion in 1988). In contrast portfolio investment in the UK rose only slighly from £11.8 billion in 1988 to £12.1 billion in 1989. These last two figures include the CSO's statistical adjustment for investment in bonds.

Portfolio investment overseas in the fourth quarter (£13.6 billion) was considerably higher than in the third quarter (£8.2 billion). Portfolio investment in the UK (£2.8 billion) was below the third quarter's level (£4.7 billion), reflecting some disinvestment in gilts.

UK banks' transactions (other than direct and portfolio investment) showed a net outflow of £0.9 billion in the fourth quarter (a sterling outflow of £1.7 billion only partly offset by a foreign currency inflow of £0.9 billion) compared with a net inflow of £8.1 billion in the third quarter (Table A11). Net inflows have been at a high level in the past two years (£14.6 billion in 1988 and £14.3 billion in 1989).

In 1989 the official reserves fell by £5.4 billion, following a rise of £2.8 billion in 1988. The fall in the fourth quarter was £2.4 billion (£0.4 billion in the third quarter). (Table A13).

Revisions

The estimates now incorporate the results of the annual 1988 inquiries into the portfolio investment income of insurance companies and pension funds, together with revisions to the results

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of the corresponding 1987 inquiries. The estimates also incorporate the results of the annual 1988 inquiries into direct investment and direct investment earnings, together with revisions to the 1989 estimates in the light of the 1988 survey results and later quarterly sample returns.

Note

A reassessment has been made of the estimates of overseas transactions in UK company bonds, etc. Previously the estimates were based on reported transactions on behalf of overseas residents by banks and securities dealers. These, together with estimates of total net issues and transactions by the UK corporate sectors, implied implausibly large transactions by the personal sector (which are not directly measured but obtained as a residual since the sum of transactions across all sectors must equal zero). This position cast serious doubt on the completeness of the reported overseas data about which there were known to be problems in identifying residency and covering all transactions. It is now considered that the coherence of the sectoral financial accounts (particularly the personal and overseas sectors) is improved by deriving overseas investment as the difference between total net issues and estimates of domestic transactions (the latter including a more modest estimate of personal sector transactions).

Net transactions in assets and liabilities should, with reversal of sign, equal the (unadjusted) balance on the current account. In practice, because the information comes from different sources, there is a discrepancy - the balancing item. This mismatch between identified current transactions and their (capital account) financing reflects errors and omissions which are likely, to varying degrees, to affect most entries in the accounts. It has become particularly large since 1984 and probably reflects, in large part, the major changes which have taken place in financial markets over the last four years, notably deregulation. There has been an accompanying upsurge in competition and innovation, a move towards greater use of securities markets for channeling finance, and hedging techniques have come into widespread use. In these circumstances, it is possible that the estimates of UK net credits from providing and receiving financial services may have failed to capture fully these activities. Estimates of interest, profits and dividend (IPD) credits and debits may also be incomplete. There is, moreover, considerable scope for deficiences in measuring capital flows associated with developments in financial activity. This is particularly so in the shift from intermediation by finance institutions (which in principle can be asked to report statistics with a reasonable degree of confidence) towards financing flows through markets. Here the channel of ownership is much harder to track. Although a programme of work is underway to improve the estimates of capital flows, especially in respect of new international bond issues and of transactions in UK company ordinary shares (the latter through a share register survey now in progress), considerable work remains to be done to improve the estimates.

Central Statistical Office

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A1 Balance of payments summary

£ million

	Seasonally adjusted						Not seasonally adjusted						
		Invisibles (balance)							UK external assets and liabilities				
	Visible trade (balance)	Services	I.P.D.	Transfers	Total	Current balance	Current balance	Capital transfers	Transactions in assets[1]	Transactions in liabilities[1]	Net transactions	Allocation of SDRs and gold subscription to IMF	Balancing item
	AIMA	AIMC	AIMD	AIME	AIMB	AIMF	AIMG	AAAZ	HEPZ	HEQW	HEQU	AIMI	AASA
1980	1 357	3 653	-228	-1 984	1 441	2 797	2 797	-	-43 439	39 509	-3 930	180	953
1981	3 252	3 715	1 222	-1 547	3 390	6 641	6 641	-	-50 770	43 334	-7 437	158	638
1982	1 910	2 971	1 468	-1 741	2 698	4 608	4 608	-	-31 406	28 820	-2 588	-	-2 020
1983	-1 507	3 995	2 893	-1 585	5 303	3 796	3 796	-	-30 172	25 622	-4 551	-	755
1984	-5 167	4 339	4 518	-1 734	7 123	1 956	1 956	-	-32 040	24 142	-7 899	-	5 943
1985	-3 128	6 606	2 721	-3 034	6 293	3 165	3 165	-	-52 928	45 498	-7 429	-	4 264
1986	-9 363	6 250	5 228	-2 157	9 321	-41	-41	-	-92 892	82 784	-10 107	-	10 148
1987	-10 904	5 664	4 248	-3 402	6 510	-4 395	-4 395	-	-83 791	80 489	-3 301	-	7 696
1988	-20 815	4 020	5 346	-3 570	5 796	-15 018	-15 018	-	-56 579	61 546	4 966	-	10 052
1989	-23 112	3 980	3 008	-4 727	2 261	-20 850	-20 850	-	-85 288	89 629	4 341	-	16 509
1980 Q1	-443	901	-70	-483	348	-95	-440	-	-14 398	13 012	-1 386	180	1 646
Q2	-178	844	-192	-597	55	-124	-357	-	-8 158	7 931	-227	-	584
Q3	864	904	-54	-572	278	1 142	1 339	-	-4 699	4 343	-356	-	-983
Q4	1 114	1 004	88	-332	760	1 874	2 255	-	-16 184	14 223	-1 961	-	-294
1981 Q1	1 685	1 009	246	-52	1 203	2 889	2 601	-	-15 114	10 800	-4 315	158	1 556
Q2	1 281	864	375	-588	651	1 932	1 625	-	-8 534	6 032	-2 502	-	877
Q3	-150	1 039	290	-671	658	508	641	-	-13 849	13 132	-717	-	76
Q4	436	803	311	-236	878	1 312	1 774	-	-13 273	13 370	97	-	-1 871
1982 Q1	262	927	93	125	1 145	1 407	1 130	-	-11 602	11 324	-278	-	-852
Q2	138	766	432	-743	455	593	150	-	-37	1 216	1 178	-	-1 328
Q3	549	579	403	-647	335	883	933	-	-18 415	16 418	-1 998	-	1 065
Q4	961	699	540	-476	763	1 725	2 395	-	-1 352	-138	-1 490	-	-905
1983 Q1	-218	1 071	813	56	1 940	1 723	1 451	-	-10 723	8 454	-2 270	-	819
Q2	-568	972	388	-672	688	121	-376	-	-194	376	182	-	194
Q3	-131	910	1 019	-416	1 513	1 383	1 393	-	-11 467	11 864	397	-	-1 790
Q4	-590	1 042	673	-553	1 162	569	1 328	-	-7 788	4 928	-2 860	-	1 532
1984 Q1	-429	1 134	905	-309	1 730	1 300	850	-	-14 083	12 895	-1 188	-	338
Q2	-1 341	968	914	-649	1 233	-108	-665	-	-8 914	6 855	-2 060	-	2 725
Q3	-1 476	1 095	997	-638	1 454	-22	180	-	-596	-562	-1 158	-	978
Q4	-1 921	1 142	1 702	-138	2 706	786	1 591	-	-8 447	4 954	-3 493	-	1 902
1985 Q1	-1 900	1 405	946	-812	1 539	-361	-711	-	-17 221	13 252	-3 969	-	4 680
Q2	-162	1 732	682	-650	1 764	1 602	966	-	-6 779	6 045	-734	-	-232
Q3	-488	1 801	769	-874	1 696	1 208	1 371	-	-16 022	10 134	-5 888	-	4 517
Q4	-578	1 668	324	-698	1 294	716	1 539	-	-12 906	16 067	3 162	-	-4 701
1986 Q1	-1 523	1 677	1 066	67	2 810	1 287	648	-	-15 798	13 210	-2 587	-	1 939
Q2	-2 080	1 449	1 233	-544	2 138	58	-181	-	-15 340	11 889	-3 451	-	3 632
Q3	-2 895	1 520	1 461	-803	2 178	-717	-828	-	-43 569	42 653	-916	-	1 744
Q4	-2 865	1 604	1 468	-877	2 195	-669	320	-	-18 185	15 032	-3 153	-	2 833
1987 Q1	-1 680	1 524	1 211	-766	1 969	289	76	-	-17 949	16 383	-1 566	-	1 490
Q2	-2 622	1 476	1 061	-759	1 778	-844	-1 138	-	-26 245	27 060	816	-	322
Q3	-2 999	1 544	1 079	-982	1 641	-1 358	-1 622	-	-26 283	22 980	-3 303	-	4 925
Q4	-3 603	1 120	897	-895	1 122	-2 482	-1 711	-	-13 314	14 066	752	-	959
1988 Q1	-4 289	1 024	989	-988	1 025	-3 264	-3 461	-	-5 016	9 827	4 810	-	-1 349
Q2	-4 596	1 122	1 474	-935	1 661	-2 935	-3 286	-	-20 532	19 965	-567	-	3 853
Q3	-5 593	1 017	1 434	-211	2 240	-3 353	-3 595	-	-23 382	24 120	739	-	2 856
Q4	-6 337	857	1 449	-1 436	870	-5 466	-4 676	-	-7 649	7 634	-16	-	4 692
1989 Q1	-6 037	897	1 320	-739	1 478	-4 559	-4 463	-	-27 748	31 682	3 934	-	529
Q2	-6 335	1 327	1 006	-888	1 445	-4 890	-5 306	-	-15 834	14 077	-1 757	-	7 063
Q3	-6 359	993	492	-1 434	51	-6 307	-6 781	-	-19 982	27 955	7 973	-	-1 192
Q4	-4 381	763	190	-1 666	-713	-5 094	-4 300	-	-21 724	15 915	-5 809	-	10 109

1 Prior to 1979 foreign currency lending and borrowing abroad by UK banks (other than certain export credit extended) is recorded on a net basis under liabilities.

A2 Visible trade in the balance of payments

£ million

	Not seasonally adjusted			Seasonally adjusted								
	Total goods			Oil			Non-oil			Total goods		
	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance	Exports (f.o.b.)	Imports (f.o.b.)	Visible balance
	CGJP	CGGL	HCHL	CGQE	CGQG	CGQI	CGQF	CGQH	CGQJ	CGKG	CGHK	AIMA
1980	47 149	45 792	1 357	6 118	5 810	308	41 031	39 982	1 049	47 149	45 792	1 357
1981	50 668	47 416	3 252	9 092	5 986	3 106	41 576	41 430	146	50 668	47 416	3 252
1982	55 331	53 421	1 910	10 671	6 033	4 638	44 660	47 388	-2 728	55 331	53 421	1 910
1983	60 700	62 207	-1 507	12 486	5 514	6 972	48 214	56 693	-8 479	60 700	62 207	-1 507
1984	70 265	75 432	-5 167	14 834	7 901	6 933	55 431	67 531	-12 100	70 265	75 432	-5 167
1985	77 991	81 119	-3 128	16 115	8 014	8 101	61 876	73 105	-11 229	77 991	81 119	-3 128
1986	72 656	82 019	-9 363	8 189	4 119	4 070	64 467	77 900	-13 433	72 656	82 019	-9 363
1987	79 446	90 350	-10 904	8 445	4 262	4 183	71 001	86 088	-15 087	79 446	90 350	-10 904
1988	80 772	101 587	-20 815	6 018	3 221	2 797	74 754	98 366	-23 612	80 772	101 587	-20 815
1989	92 526	115 638	-23 112	5 907	4 426	1 481	86 619	111 212	-24 593	92 526	115 638	-23 112
1980 Q1	11 919	12 589	-670	1 434	1 560	-126	10 462	10 779	-317	11 896	12 339	-443
Q2	11 860	12 169	-309	1 543	1 543	-	10 326	10 504	-178	11 869	12 047	-178
Q3	11 366	10 501	865	1 538	1 336	202	10 150	9 488	662	11 688	10 824	864
Q4	12 004	10 533	1 471	1 603	1 371	232	10 093	9 211	882	11 696	10 582	1 114
1981 Q1	11 699	10 239	1 460	2 068	1 325	743	9 715	8 773	942	11 783	10 098	1 685
Q2	12 264	11 171	1 093	2 208	1 314	894	10 006	9 619	387	12 214	10 933	1 281
Q3	12 678	12 833	-155	2 429	1 652	777	10 739	11 666	-927	13 168	13 318	-150
Q4	14 027	13 173	854	2 387	1 695	692	11 116	11 372	-256	13 503	13 067	436
1982 Q1	13 211	13 244	-33	2 362	1 690	672	10 972	11 382	-410	13 334	13 072	262
Q2	13 752	13 849	-97	2 419	1 492	927	11 350	12 139	-789	13 769	13 631	138
Q3	13 449	12 910	539	2 849	1 504	1 345	11 008	11 804	-796	13 857	13 308	549
Q4	14 919	13 418	1 501	3 041	1 347	1 694	11 330	12 063	-733	14 371	13 410	961
1983 Q1	14 652	15 071	-419	2 921	1 353	1 568	11 655	13 441	-1 786	14 576	14 794	-218
Q2	14 750	15 673	-923	3 022	1 389	1 633	11 771	13 972	-2 201	14 793	15 361	-568
Q3	14 768	15 075	-307	3 099	1 418	1 681	12 351	14 163	-1 812	15 450	15 581	-131
Q4	16 530	16 388	142	3 444	1 354	2 090	12 437	15 117	-2 680	15 881	16 471	-590
1984 Q1	16 835	17 546	-711	3 418	1 394	2 024	13 162	15 615	-2 453	16 580	17 009	-429
Q2	16 816	18 590	-1 774	3 596	1 927	1 669	13 414	16 424	-3 010	17 010	18 351	-1 341
Q3	16 683	18 342	-1 659	3 923	2 055	1 868	13 942	17 286	-3 344	17 865	19 341	-1 476
Q4	19 931	20 954	-1 023	3 897	2 525	1 372	14 913	18 206	-3 293	18 810	20 731	-1 921
1985 Q1	19 956	21 965	-2 009	4 370	2 959	1 411	15 500	18 811	-3 311	19 870	21 770	-1 900
Q2	20 192	20 875	-683	4 589	1 896	2 693	15 899	18 754	-2 855	20 488	20 650	-162
Q3	17 897	18 635	-738	3 631	1 580	2 051	15 266	17 805	-2 539	18 897	19 385	-488
Q4	19 946	19 644	302	3 525	1 579	1 946	15 211	17 735	-2 524	18 736	19 314	-578
1986 Q1	17 532	19 498	-1 966	2 850	1 198	1 652	15 341	18 516	-3 175	18 191	19 714	-1 523
Q2	18 305	20 574	-2 269	1 853	1 029	824	16 097	19 001	-2 904	17 950	20 030	-2 080
Q3	16 663	19 843	-3 180	1 646	871	775	15 974	19 644	-3 670	17 620	20 515	-2 895
Q4	20 156	22 104	-1 948	1 840	1 021	819	17 055	20 739	-3 684	18 895	21 760	-2 865
1987 Q1	19 439	21 316	-1 877	2 065	1 095	970	17 621	20 271	-2 650	19 686	21 366	-1 680
Q2	19 342	22 291	-2 949	2 120	1 023	1 097	17 350	21 069	-3 719	19 470	22 092	-2 622
Q3	19 295	22 687	-3 392	2 210	1 089	1 121	18 135	22 255	-4 120	20 345	23 344	-2 999
Q4	21 370	24 056	-2 686	2 050	1 055	995	17 895	22 493	-4 598	19 945	23 548	-3 603
1988 Q1	19 245	23 674	-4 429	1 632	815	817	17 539	22 645	-5 106	19 171	23 460	-4 289
Q2	20 191	25 120	-4 929	1 686	783	903	18 644	24 143	-5 499	20 330	24 926	-4 596
Q3	19 837	25 745	-5 908	1 497	842	655	19 367	25 615	-6 248	20 864	26 457	-5 593
Q4	21 499	27 048	-5 549	1 203	781	422	19 204	25 963	-6 759	20 407	26 744	-6 337
1989 Q1	21 364	27 362	-5 998	1 200	971	229	20 533	26 799	-6 266	21 733	27 770	-6 037
Q2	22 807	29 550	-6 743	1 406	1 178	228	21 100	27 663	-6 563	22 506	28 841	-6 335
Q3	21 976	28 904	-6 928	1 515	1 118	397	21 799	28 555	-6 756	23 314	29 673	-6 359
Q4	26 379	29 822	-3 443	1 786	1 159	627	23 187	28 195	-5 008	24 973	29 354	-4 381

A3 Volume, implied price and unit value indices

1985 = 100

	Seasonally adjusted				Not seasonally adjusted						
	Volume indices				Implied price indices[1]			Unit value indices[2]		Terms of trade[3]	
	All goods	Non-oil goods	Services	Goods and services	Goods	Services	Goods and services	All goods	Non-oil goods	All goods	Non-oil goods
Exports	CGTR	CGSV	CGSI	HHCX	HHCZ	CGTA	HDUV	CGTO	CGSX	CGTQ	CGSZ
1980	84.1	90.3	95.3	86.7	71.9	66.7	70.6	70.0	70.7	103.2	101.9
1981	83.3	86.7	95.2	86.0	78.0	72.5	76.6	76.2	75.3	103.4	102.7
1982	85.6	87.8	90.3	86.8	82.8	79.1	81.9	81.4	80.6	101.9	101.8
1983	87.6	88.2	91.8	88.6	88.8	86.9	88.3	88.0	87.4	100.5	99.9
1984	94.7	94.8	93.3	94.4	95.1	95.3	95.1	95.0	94.0	99.6	98.8
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1986	104.0	104.0	104.8	104.2	89.6	99.9	92.1	90.4	101.4	94.5	100.6
1987	109.2	111.2	110.5	109.5	93.3	101.5	95.3	94.2	105.3	95.7	101.5
1988	110.9	115.1	108.2	110.2	93.4	104.4	96.0	94.5	108.9	96.8	104.6
1989	117.0	127.8	107.8	114.7	101.4	114.7	104.4	101.2	114.8	97.5	104.6
1985 Q1	98.9	99.2	97.5	98.6	103.3	101.8	103.0	103.3	101.2	98.8	97.7
Q2	103.1	102.1	99.5	102.3	102.0	100.7	101.7	101.8	100.7	99.7	99.1
Q3	99.0	99.3	101.3	99.6	97.9	99.0	98.2	97.8	99.3	100.3	101.3
Q4	99.0	99.5	101.7	99.6	96.9	98.8	97.4	97.0	98.8	101.3	102.2
1986 Q1	100.9	100.4	105.1	101.9	92.5	98.9	94.0	93.3	99.7	97.1	100.8
Q2	104.1	104.4	103.9	104.0	88.7	98.2	90.9	88.9	100.8	94.5	101.8
Q3	104.1	103.0	105.0	104.3	86.2	100.3	90.1	88.2	101.5	93.7	100.9
Q4	106.8	108.0	105.1	106.4	90.9	102.0	93.4	91.3	103.4	92.8	99.0
1987 Q1	109.2	111.5	107.3	108.8	92.0	100.3	93.8	93.5	104.5	93.4	99.1
Q2	107.3	109.0	111.3	108.3	93.3	100.5	95.1	93.9	104.9	96.1	101.9
Q3	110.2	112.9	115.2	111.4	94.4	103.3	96.9	95.1	105.7	96.8	102.4
Q4	109.9	111.4	108.3	109.5	93.6	101.3	95.3	94.4	106.1	96.5	102.7
1988 Q1	107.5	109.5	110.4	108.2	90.8	100.5	93.0	93.3	106.8	96.2	103.5
Q2	113.6	116.2	110.8	113.0	92.0	102.3	94.3	93.9	107.9	97.1	104.7
Q3	112.8	118.1	106.4	111.3	94.7	107.5	98.1	95.6	110.1	97.3	105.2
Q4	109.7	116.6	105.1	108.6	96.1	107.0	98.5	95.4	110.9	96.7	104.8
1989 Q1	112.8	124.2	110.9	112.3	98.0	108.2	100.3	97.8	112.0	98.4	105.8
Q2	113.5	124.9	109.8	112.6	101.9	113.1	104.4	100.8	113.8	98.1	105.1
Q3	117.2	127.4	107.4	114.9	102.0	117.6	106.1	102.2	116.2	97.0	104.3
Q4	124.4	134.7	102.9	119.2	103.5	119.6	106.6	103.9	117.2	96.6	103.3
Imports	CGTS	CGSW	CGSP	HHCY	HHDA	CGTB	HDWN	CGTP	CGSY		
1980	79.0	74.9	94.6	81.8	71.5	70.4	71.3	67.8	69.4		
1981	75.9	73.7	96.3	79.5	77.1	76.5	77.0	73.7	73.3		
1982	80.1	79.2	98.4	83.4	82.2	82.5	82.3	79.9	79.2		
1983	87.0	87.7	97.1	88.9	88.1	89.4	88.4	87.6	87.5		
1984	96.9	96.5	100.3	97.5	95.9	97.1	96.2	95.3	95.2		
1985	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0		
1986	107.1	106.7	105.3	106.8	94.4	102.9	95.9	95.7	100.8		
1987	114.5	115.5	116.6	114.9	97.2	104.5	98.6	98.5	103.7		
1988	129.8	132.2	127.4	129.3	96.5	103.6	97.8	97.6	104.2		
1989	139.9	142.7	132.3	138.6	101.9	111.0	103.5	103.8	109.7		
1985 Q1	103.1	99.9	98.4	102.2	104.5	107.7	105.0	104.6	103.6		
Q2	99.9	100.9	97.6	99.5	102.0	100.1	101.7	102.1	101.6		
Q3	97.7	98.9	99.8	98.1	97.5	96.8	97.3	97.6	98.1		
Q4	99.3	100.3	104.2	100.2	95.7	97.1	96.0	95.7	96.7		
1986 Q1	101.7	103.4	105.8	102.4	96.2	100.9	97.0	96.1	98.9		
Q2	106.0	105.8	105.9	106.0	93.5	100.0	94.7	94.1	99.1		
Q3	109.5	107.6	104.1	108.6	91.8	105.7	94.7	94.1	100.6		
Q4	111.2	110.0	105.5	110.1	96.1	104.1	97.4	98.4	104.5		
1987 Q1	108.0	108.0	108.9	108.2	98.1	104.3	99.1	100.1	105.4		
Q2	112.4	113.6	114.2	112.7	97.1	104.0	98.4	97.8	102.9		
Q3	117.9	119.3	119.5	118.2	97.2	107.1	99.3	98.2	103.2		
Q4	119.9	121.0	124.0	120.6	96.6	101.8	97.5	97.8	103.3		
1988 Q1	121.3	123.1	125.6	122.0	95.9	102.2	97.0	96.9	103.2		
Q2	128.1	130.9	125.7	127.7	96.2	103.2	97.4	96.7	103.0		
Q3	134.2	137.3	124.6	132.5	96.8	107.0	98.8	98.2	104.7		
Q4	135.5	137.7	133.8	135.2	97.1	101.3	97.8	98.7	105.7		
1989 Q1	140.5	142.6	137.9	140.0	97.9	104.4	98.9	99.4	105.8		
Q2	140.3	143.2	127.9	138.0	101.6	109.7	103.0	102.7	108.3		
Q3	141.0	144.1	131.6	139.3	103.3	114.5	105.6	105.4	111.4		
Q4	138.0	141.0	131.9	136.9	104.6	114.2	106.2	107.5	113.5		

1 Current price value as a percentage of value at 1985 prices. Shows the price difference compared with 1985 for the current pattern of trade.
2 Shows the price difference compared with 1985 for the 1985 pattern of trade (the 1980 pattern up to 1982). Not available for services.
3 Export unit value indices as a percentage of import unit value indices. These values are shown against 'exports' for convenience.

A4 Invisibles: summary

£ million

	Seasonally adjusted											Not seasonally adjusted		
	Invisibles credits				Invisibles debits				Invisibles balance			Total invisibles		
	Services	IPD	Transfers	Total	Services	IPD	Transfers	Total	Private sector and PC: services and IPD	Gen. govt. transactions and private transfers	Total	Credits	Debits	Balance
	CGKS	CGKL	CGKT	CGKR	CGHU	CGHJ	CGHV	CGHT	CGIV	CGIS	AIMB	CGJY	CGGY	CGIK
1980	15 675	23 681	1 893	41 249	12 022	23 910	3 877	39 809	4 224	-2 783	1 441	41 249	39 809	1 441
1981	17 001	37 529	2 792	57 322	13 286	36 308	4 339	53 933	5 768	-2 378	3 390	57 322	53 933	3 390
1982	17 613	44 397	3 402	65 412	14 642	42 929	5 143	62 714	5 902	-3 204	2 698	65 412	62 714	2 698
1983	19 659	42 481	3 747	65 887	15 664	39 588	5 332	60 584	8 365	-3 062	5 303	65 887	60 584	5 303
1984	21 927	51 715	4 023	77 665	17 588	47 197	5 757	70 542	10 550	-3 427	7 123	77 665	70 542	7 123
1985	24 651	52 313	3 619	80 583	18 045	49 592	6 653	74 290	11 368	-5 075	6 293	80 583	74 290	6 293
1986	25 795	47 799	3 870	77 464	19 545	42 570	6 027	68 142	13 781	-4 460	9 321	77 464	68 142	9 321
1987	27 646	48 208	3 952	79 806	21 982	43 961	7 354	73 297	12 605	-6 095	6 510	79 806	73 297	6 510
1988	27 852	56 897	3 822	88 571	23 832	51 550	7 392	82 774	12 043	-6 247	5 796	88 571	82 774	5 796
1989	30 481	74 158	3 891	108 530	26 501	71 149	8 618	106 268	9 631	-7 370	2 261	108 530	106 268	2 261
1980 Q1	3 908	5 682	445	10 035	3 007	5 752	928	9 687	965	-617	348	9 632	9 402	231
Q2	3 877	6 251	414	10 542	3 033	6 444	1 011	10 488	883	-828	55	10 490	10 538	-48
Q3	3 915	5 713	443	10 071	3 011	5 767	1 015	9 793	1 054	-776	278	10 660	10 186	474
Q4	3 975	6 035	591	10 601	2 971	5 947	923	9 841	1 322	-562	760	10 467	9 683	784
1981 Q1	4 009	7 199	1 033	12 241	3 000	6 952	1 085	11 037	1 387	-184	1 203	11 868	10 727	1 142
Q2	4 142	8 415	433	12 990	3 278	8 040	1 021	12 339	1 434	-783	651	12 934	12 402	532
Q3	4 399	10 254	533	15 186	3 360	9 964	1 204	14 528	1 543	-885	658	15 753	14 957	796
Q4	4 451	11 661	793	16 905	3 648	11 352	1 029	16 029	1 404	-526	878	16 767	15 847	920
1982 Q1	4 352	10 394	1 380	16 126	3 425	10 301	1 255	14 981	1 317	-172	1 145	15 744	14 581	1 163
Q2	4 443	11 241	526	16 210	3 677	10 809	1 269	15 755	1 562	-1 107	455	16 137	15 890	247
Q3	4 339	11 240	672	16 251	3 760	10 838	1 319	15 917	1 400	-1 065	335	16 829	16 435	394
Q4	4 479	11 522	824	16 825	3 780	10 981	1 300	16 061	1 623	-860	763	16 702	15 808	894
1983 Q1	4 843	11 480	1 277	17 600	3 772	10 666	1 221	15 659	2 232	-292	1 940	17 156	15 286	1 870
Q2	4 819	9 961	717	15 497	3 847	9 572	1 389	14 808	1 703	-1 015	688	15 431	14 884	547
Q3	4 985	10 358	839	16 182	4 075	9 338	1 255	14 668	2 301	-788	1 513	16 853	15 153	1 700
Q4	5 012	10 682	914	16 608	3 970	10 012	1 467	15 449	2 129	-967	1 162	16 447	15 261	1 186
1984 Q1	5 283	11 362	1 058	17 703	4 149	10 458	1 367	15 974	2 440	-710	1 730	17 455	15 894	1 561
Q2	5 310	11 982	752	18 044	4 342	11 068	1 401	16 811	2 323	-1 090	1 233	17 854	16 745	1 109
Q3	5 539	13 635	766	19 940	4 444	12 638	1 404	18 486	2 524	-1 070	1 454	20 651	18 812	1 839
Q4	5 795	14 736	1 447	21 978	4 653	13 033	1 585	19 271	3 263	-557	2 706	21 705	19 091	2 614
1985 Q1	6 099	14 502	992	21 593	4 694	13 556	1 804	20 054	2 854	-1 315	1 539	21 320	20 022	1 298
Q2	6 167	13 513	776	20 456	4 435	12 831	1 426	18 692	2 884	-1 120	1 764	20 217	18 568	1 650
Q3	6 148	12 463	984	19 595	4 347	11 694	1 858	17 899	3 126	-1 430	1 696	20 457	18 348	2 109
Q4	6 237	11 835	867	18 939	4 569	11 511	1 565	17 645	2 504	-1 210	1 294	18 589	17 352	1 238
1986 Q1	6 436	11 779	1 059	19 274	4 759	10 713	992	16 464	3 346	-536	2 810	18 815	16 201	2 614
Q2	6 302	11 533	1 041	18 876	4 853	10 300	1 585	16 738	3 203	-1 065	2 138	18 707	16 619	2 089
Q3	6 431	12 038	949	19 418	4 911	10 577	1 752	17 240	3 530	-1 352	2 178	20 334	17 982	2 351
Q4	6 626	12 449	821	19 896	5 022	10 980	1 698	17 700	3 702	-1 507	2 195	19 608	17 340	2 267
1987 Q1	6 686	11 836	1 270	19 792	5 162	10 625	2 036	17 823	3 337	-1 368	1 969	19 418	17 465	1 953
Q2	6 918	12 044	1 087	20 049	5 442	10 983	1 846	18 271	3 142	-1 364	1 778	19 874	18 063	1 811
Q3	7 227	12 132	890	20 249	5 683	11 053	1 872	18 608	3 350	-1 709	1 641	21 342	19 572	1 771
Q4	6 815	12 196	705	19 716	5 695	11 300	1 600	18 595	2 776	-1 654	1 122	19 172	18 197	975
1988 Q1	6 898	12 948	904	20 750	5 874	11 959	1 892	19 725	2 632	-1 607	1 025	20 288	19 320	968
Q2	6 999	13 668	1 047	21 714	5 877	12 194	1 982	20 053	3 267	-1 606	1 661	21 575	19 932	1 642
Q3	6 927	14 899	1 028	22 854	5 910	13 465	1 239	20 614	3 099	-859	2 240	23 994	21 681	2 313
Q4	7 028	15 382	843	23 253	6 171	13 932	2 279	22 382	3 045	-2 175	870	22 714	21 841	873
1989 Q1	7 470	17 168	1 228	25 866	6 573	15 848	1 967	24 388	2 899	-1 421	1 478	25 349	23 814	1 535
Q2	7 694	18 375	1 104	27 173	6 367	17 369	1 992	25 728	2 946	-1 501	1 445	27 007	25 570	1 436
Q3	7 676	18 357	709	26 742	6 683	17 864	2 143	26 690	2 176	-2 125	51	28 046	27 899	147
Q4	7 641	20 258	850	28 749	6 878	20 068	2 516	29 462	1 610	-2 323	-713	28 128	28 985	-857

A5 Services

£ million

	General government			Sea transport			Civil aviation		
	Credits	Debits	Balance	Credits	Debits	Balance	Credits	Debits	Balance
	CGJR	CGGI	CGIG	CGJW	CGGW	HBTO	CGJO	CGGG	HDJA
1980	315	1 165	-850	3 816	3 802	14	2 210	1 827	383
1981	401	1 264	-863	3 784	3 974	-190	2 359	1 979	380
1982	404	1 754	-1 350	3 267	3 704	-437	2 471	2 172	299
1983	470	1 522	-1 052	3 054	3 832	-778	2 665	2 345	320
1984	474	1 655	-1 181	3 253	3 847	-594	2 931	2 694	237
1985	481	1 780	-1 299	3 271	3 727	-456	3 078	2 925	153
1986	507	1 907	-1 400	3 230	3 701	-471	2 786	3 200	-414
1987	516	2 117	-1 601	3 302	3 896	-594	3 159	3 778	-619
1988	519	2 353	-1 834	3 539	4 127	-588	3 192	4 054	-862
1989	425	2 589	-2 164	3 978	4 477	-499	3 760	4 126	-366
Not seasonally adjusted									
1984 Q1	144	397	-253	755	925	-170	561	532	29
Q2	75	414	-339	810	934	-124	693	646	47
Q3	119	419	-300	884	956	-72	901	855	46
Q4	136	425	-289	804	1 032	-228	776	661	115
1985 Q1	155	456	-301	772	1 031	-259	618	617	1
Q2	92	414	-322	849	956	-107	784	734	50
Q3	110	466	-356	844	879	-35	941	859	82
Q4	124	444	-320	806	861	-55	735	715	20
1986 Q1	180	515	-335	768	878	-110	618	718	-100
Q2	86	430	-344	873	979	-106	648	789	-141
Q3	98	439	-341	804	900	-96	820	960	-140
Q4	143	523	-380	785	944	-159	700	733	-33
1987 Q1	238	503	-265	709	878	-169	580	782	-202
Q2	101	487	-386	819	948	-129	796	915	-119
Q3	102	544	-442	906	1 021	-115	1 043	1 182	-139
Q4	75	583	-508	868	1 049	-181	740	899	-159
1988 Q1	206	550	-344	795	989	-194	617	909	-292
Q2	88	606	-518	897	1 017	-120	790	930	-140
Q3	106	556	-450	937	1 061	-124	1 021	1 187	-166
Q4	119	641	-522	910	1 060	-150	764	1 028	-264
1989 Q1	153	645	-492	946	1 109	-163	696	921	-225
Q2	74	621	-547	1 052	1 132	-80	944	978	-34
Q3	104	666	-562	1 027	1 150	-123	1 198	1 262	-64
Q4	94	657	-563	953	1 086	-133	922	965	-43
Seasonally adjusted									
	CGKK	CGHH	CGIP	CGKP	CGHR	HHCS	CGKE	CGHF	HHCT
1984 Q1	109	397	-288	795	923	-128	695	610	85
Q2	90	414	-324	785	919	-134	707	644	63
Q3	128	419	-291	859	959	-100	733	725	8
Q4	147	425	-278	814	1 046	-232	796	715	81
1985 Q1	116	456	-340	813	1 035	-222	771	694	77
Q2	113	414	-301	821	945	-124	795	737	58
Q3	119	466	-347	817	872	-55	761	729	32
Q4	133	444	-311	820	875	-55	751	765	-14
1986 Q1	130	515	-385	846	917	-71	769	808	-39
Q2	113	430	-317	857	980	-123	656	794	-138
Q3	110	439	-329	762	896	-134	663	798	-135
Q4	154	523	-369	765	908	-143	698	800	-102
1987 Q1	180	503	-323	766	911	-145	716	879	-163
Q2	140	487	-347	794	956	-162	804	927	-123
Q3	115	544	-429	855	1 011	-156	830	981	-151
Q4	81	583	-502	887	1 018	-131	809	991	-182
1988 Q1	156	550	-394	862	1 021	-159	766	1 017	-251
Q2	133	606	-473	861	1 021	-160	798	953	-155
Q3	111	556	-445	888	1 055	-167	811	983	-172
Q4	119	641	-522	928	1 030	-102	817	1 101	-284
1989 Q1	97	645	-548	1 026	1 156	-130	866	1 026	-160
Q2	115	621	-506	1 011	1 129	-118	951	1 001	-50
Q3	113	666	-553	970	1 133	-163	953	1 049	-96
Q4	100	657	-557	971	1 059	-88	990	1 050	-60

A5 Services
continued

£ million

	Travel			Financial and other services				Total services			
	Credits	Debits	Balance	Credits	Debits	Balance	National accounts statistical adjustment	Credits	Debits	Balance	of which, balance for private sector and public corporations
	CGKA	CGHA	HBYE	HHDE	HBVH	HHCW	HCGM	CGJZ	CGGZ	CGIN	CGIL
1980	2 961	2 738	223	6 373	2 490	3 883	-	15 675	12 022	3 653	4 503
1981	2 970	3 272	-302	7 487	2 797	4 690	-	17 001	13 286	3 715	4 578
1982	3 188	3 640	-452	8 283	3 372	4 911	-	17 613	14 642	2 971	4 321
1983	4 003	4 090	-87	9 467	3 875	5 592	-	19 659	15 664	3 995	5 047
1984	4 614	4 663	-49	10 655	4 729	5 926	-	21 927	17 588	4 339	5 520
1985	5 442	4 871	571	12 379	4 742	7 637	-	24 651	18 045	6 606	7 905
1986	5 553	6 083	-530	13 719	4 654	9 065	-	25 795	19 545	6 250	7 650
1987	6 260	7 280	-1 020	14 409	4 911	9 498	-	27 646	21 982	5 664	7 265
1988	6 193	8 228	-2 035	13 909	5 070	8 839	500	27 852	23 832	4 020	5 854
1989	6 851	9 378	-2 527	14 867	5 931	8 936	600	30 481	26 501	3 980	6 144
Not seasonally adjusted											
1984 Q1	727	715	12	2 666	1 101	1 565	-	4 853	3 670	1 183	1 436
Q2	1 075	1 182	-107	2 564	1 172	1 392	-	5 217	4 348	869	1 208
Q3	1 751	1 835	-84	2 686	1 211	1 475	-	6 341	5 276	1 065	1 365
Q4	1 061	931	130	2 739	1 245	1 494	-	5 516	4 294	1 222	1 511
1985 Q1	900	845	55	3 135	1 198	1 937	-	5 580	4 147	1 433	1 734
Q2	1 330	1 152	178	2 998	1 196	1 802	-	6 053	4 452	1 601	1 923
Q3	2 064	1 876	188	3 139	1 155	1 984	-	7 098	5 235	1 863	2 219
Q4	1 148	998	150	3 107	1 193	1 914	-	5 920	4 211	1 709	2 029
1986 Q1	937	897	40	3 376	1 126	2 250	-	5 879	4 134	1 745	2 080
Q2	1 278	1 458	-180	3 297	1 150	2 147	-	6 182	4 806	1 376	1 720
Q3	2 095	2 543	-448	3 567	1 160	2 407	-	7 384	6 002	1 382	1 723
Q4	1 243	1 185	58	3 479	1 218	2 261	-	6 350	4 603	1 747	2 127
1987 Q1	1 015	1 086	-71	3 569	1 181	2 388	-	6 111	4 430	1 681	1 946
Q2	1 497	1 797	-300	3 544	1 206	2 338	-	6 757	5 353	1 404	1 790
Q3	2 371	2 991	-620	3 943	1 240	2 703	-	8 365	6 978	1 387	1 829
Q4	1 377	1 406	-29	3 353	1 284	2 069	-	6 413	5 221	1 192	1 700
1988 Q1	1 048	1 350	-302	3 480	1 273	2 207	120	6 266	5 071	1 195	1 539
Q2	1 465	1 973	-508	3 407	1 296	2 111	120	6 767	5 822	945	1 463
Q3	2 233	3 216	-983	3 677	1 239	2 438	130	8 104	7 259	845	1 295
Q4	1 447	1 689	-242	3 345	1 262	2 083	130	6 715	5 680	1 035	1 557
1989 Q1	1 190	1 591	-401	3 630	1 383	2 247	140	6 755	5 649	1 106	1 598
Q2	1 499	2 124	-625	3 710	1 470	2 240	150	7 429	6 325	1 104	1 651
Q3	2 517	3 717	-1 200	4 010	1 522	2 488	150	9 006	8 317	689	1 251
Q4	1 645	1 946	-301	3 517	1 556	1 961	160	7 291	6 210	1 081	1 644
Seasonally adjusted											
	CGKU	CGHW	HHCU	HHDD	CGHN	HHCV		CGKS	CGHU	AIMC	CGIT
1984 Q1	1 066	1 096	-30	2 618	1 123	1 495	-	5 283	4 149	1 134	1 422
Q2	1 134	1 190	-56	2 594	1 175	1 419	-	5 310	4 342	968	1 292
Q3	1 194	1 134	60	2 625	1 207	1 418	-	5 539	4 444	1 095	1 386
Q4	1 220	1 243	-23	2 818	1 224	1 594	-	5 795	4 653	1 142	1 420
1985 Q1	1 329	1 287	42	3 070	1 222	1 848	-	6 099	4 694	1 405	1 745
Q2	1 404	1 142	262	3 034	1 197	1 837	-	6 167	4 435	1 732	2 033
Q3	1 382	1 134	248	3 069	1 146	1 923	-	6 148	4 347	1 801	2 148
Q4	1 327	1 308	19	3 206	1 177	2 029	-	6 237	4 569	1 668	1 979
1986 Q1	1 365	1 381	-16	3 326	1 138	2 188	-	6 436	4 759	1 677	2 062
Q2	1 342	1 504	-162	3 334	1 145	2 189	-	6 302	4 853	1 449	1 766
Q3	1 414	1 614	-200	3 482	1 164	2 318	-	6 431	4 911	1 520	1 849
Q4	1 432	1 584	-152	3 577	1 207	2 370	-	6 626	5 022	1 604	1 973
1987 Q1	1 497	1 680	-183	3 527	1 189	2 338	-	6 686	5 162	1 524	1 847
Q2	1 578	1 867	-289	3 602	1 205	2 397	-	6 918	5 442	1 476	1 823
Q3	1 596	1 906	-310	3 831	1 241	2 590	-	7 227	5 683	1 544	1 973
Q4	1 589	1 827	-238	3 449	1 276	2 173	-	6 815	5 695	1 120	1 622
1988 Q1	1 524	2 023	-499	3 470	1 263	2 207	120	6 898	5 874	1 024	1 418
Q2	1 547	2 009	-462	3 540	1 288	2 252	120	6 999	5 877	1 122	1 595
Q3	1 501	2 033	-532	3 486	1 283	2 203	130	6 927	5 910	1 017	1 462
Q4	1 621	2 163	-542	3 413	1 236	2 177	130	7 028	6 171	857	1 379
1989 Q1	1 725	2 377	-652	3 616	1 369	2 247	140	7 470	6 573	897	1 445
Q2	1 611	2 160	-549	3 856	1 456	2 400	150	7 694	6 367	1 327	1 833
Q3	1 681	2 271	-590	3 809	1 564	2 245	150	7 676	6 683	993	1 546
Q4	1 834	2 570	-736	3 586	1 542	2 044	160	7 641	6 878	763	1 320

A6 Interest, profits and dividends

£ million

	Credits - earnings on:												
		Portfolio investment					Deposits and lending overseas by UK residents other than banks and general government					Of which:	
	Direct investment	UK banks	Other UK residents	Total	Lending etc to overseas residents by UK banks	Of which: identified foreign currency lending	Transactions with banks abroad	Other assets	Official reserves	Other external assets of central government	Total credits	Private sector and public corporations	General government
	HHBY	HESH	HHHR	CGNV	HERG	HHIJ	HERH	HERJ	HHCB	HERI	CGJS	CGNT	CGNR
1980	5 049	80	670	750	16 045	15 284	678	213	798	147	23 681	22 735	946
1981	5 417	200	790	990	28 740	27 587	1 158	253	858	114	37 529	36 559	971
1982	4 805	350	1 300	1 651	34 504	33 161	1 595	865	761	217	44 397	43 419	979
1983	6 198	840	1 833	2 673	30 710	29 098	1 388	748	589	175	42 481	41 716	765
1984	7 824	1 423	2 278	3 701	36 665	34 660	1 707	1 001	586	230	51 715	50 897	818
1985	7 747	2 301	2 701	5 002	35 823	32 787	1 975	1 030	538	197	52 313	51 578	735
1986	7 807	2 621	3 204	5 825	30 907	28 107	1 673	823	607	157	47 799	47 035	764
1987	10 969	2 476	2 914	5 390	28 535	25 390	1 739	646	854	78	48 208	47 277	931
1988	14 119	2 485	3 320	5 805	32 966	29 194	1 892	659	1 351	105	56 897	55 441	1 456
1989	16 603	2 871	4 181	7 052	44 689	39 293	3 012	853	1 913	35	74 158	72 209	1 948
Not seasonally adjusted													
1984 Q1	1 918	241	526	767	8 093	7 639	353	216	138	52	11 538	11 347	191
Q2	1 713	288	545	833	8 577	8 079	369	234	172	51	11 949	11 726	223
Q3	2 199	397	580	977	9 482	8 962	435	263	130	63	13 548	13 355	193
Q4	1 994	497	627	1 124	10 513	9 980	550	288	146	64	14 680	14 469	211
1985 Q1	2 323	651	685	1 336	10 067	9 326	555	285	144	32	14 743	14 567	176
Q2	2 098	582	686	1 268	9 118	8 390	518	257	131	61	13 451	13 259	192
Q3	1 918	548	668	1 216	8 365	7 551	467	248	123	43	12 379	12 213	166
Q4	1 408	520	662	1 182	8 273	7 520	435	240	140	61	11 740	11 539	201
1986 Q1	1 624	615	718	1 333	8 072	7 366	437	226	150	33	11 874	11 692	183
Q2	1 895	618	770	1 388	7 441	6 727	438	203	152	33	11 549	11 365	185
Q3	2 134	675	837	1 512	7 577	6 907	392	201	151	41	12 009	11 816	192
Q4	2 154	713	879	1 592	7 817	7 107	406	193	154	50	12 367	12 162	204
1987 Q1	2 645	662	785	1 447	7 147	6 386	420	173	159	25	12 015	11 831	184
Q2	2 805	621	756	1 377	7 081	6 310	428	163	217	12	12 083	11 854	229
Q3	2 816	595	711	1 306	7 137	6 347	443	159	208	19	12 086	11 860	226
Q4	2 703	598	662	1 260	7 170	6 347	448	151	270	22	12 024	11 732	292
1988 Q1	3 077	607	766	1 373	7 710	6 884	477	154	295	32	13 118	12 791	327
Q2	3 593	593	802	1 395	7 826	6 985	417	154	350	26	13 761	13 385	376
Q3	3 692	626	856	1 482	8 674	7 653	455	182	353	24	14 862	14 485	377
Q4	3 757	659	896	1 555	8 756	7 672	543	169	353	23	15 156	14 780	376
1989 Q1	4 297	721	910	1 631	10 196	8 896	623	179	422	18	17 366	16 926	440
Q2	4 538	685	976	1 661	10 840	9 611	725	210	498	2	18 474	17 973	500
Q3	3 714	776	1 159	1 935	11 195	9 902	794	227	460	5	18 331	17 866	465
Q4	4 054	689	1 136	1 825	12 458	10 884	870	237	533	10	19 987	19 444	543
Seasonally adjusted													
	HHBZ	HHAS	HHHS	CGGS	HHHQ	HHJK			HHCC	HHHW	CGKL	CGMI	CGMG
1984 Q1	1 743	241	526	767	8 086	7 639	353	216	138	58	11 362	11 166	196
Q2	1 743	288	545	833	8 571	8 079	369	234	172	60	11 982	11 750	233
Q3	2 288	397	580	977	9 480	8 962	435	263	130	63	13 635	13 442	193
Q4	2 050	497	627	1 124	10 528	9 980	550	288	146	49	14 736	14 539	196
1985 Q1	2 095	651	685	1 336	10 050	9 326	555	285	144	37	14 502	14 321	181
Q2	2 157	582	686	1 268	9 112	8 390	518	257	131	69	13 513	13 313	200
Q3	1 997	548	668	1 216	8 369	7 551	467	248	123	44	12 463	12 296	167
Q4	1 498	520	662	1 182	8 292	7 520	435	240	140	47	11 835	11 648	187
1986 Q1	1 536	615	718	1 333	8 058	7 366	437	226	150	40	11 779	11 589	190
Q2	1 874	618	770	1 388	7 437	6 727	438	203	152	41	11 533	11 340	193
Q3	2 162	675	837	1 512	7 578	6 907	392	201	151	41	12 038	11 846	192
Q4	2 235	713	879	1 592	7 834	7 107	406	193	154	35	12 449	12 260	189
1987 Q1	2 479	662	785	1 447	7 131	6 386	420	173	159	28	11 836	11 650	186
Q2	2 769	621	756	1 377	7 075	6 310	428	163	217	15	12 044	11 812	233
Q3	2 860	595	711	1 306	7 139	6 347	443	159	208	19	12 132	11 906	226
Q4	2 861	598	662	1 260	7 190	6 347	448	151	270	16	12 196	11 909	286
1988 Q1	2 909	607	766	1 373	7 710	6 884	477	154	295	31	12 948	12 623	326
Q2	3 499	593	802	1 395	7 826	6 985	417	154	350	27	13 668	13 291	377
Q3	3 729	626	856	1 482	8 674	7 653	455	182	353	24	14 899	14 522	378
Q4	3 982	659	896	1 555	8 756	7 672	543	169	353	23	15 382	15 005	375
1989 Q1	4 100	721	910	1 631	10 196	8 896	623	179	422	17	17 168	16 729	439
Q2	4 439	685	976	1 661	10 840	9 611	725	210	498	3	18 375	17 874	501
Q3	3 739	776	1 159	1 935	11 195	9 902	794	227	460	6	18 357	17 891	466
Q4	4 325	689	1 136	1 825	12 458	10 884	870	237	533	9	20 258	19 715	542

A6 Interest, profits and dividends

continued

£ million

	Debits - earnings on:												Balance of IPD		
	Direct investment				Overseas borrowing by UK banks		Borrowing from overseas by UK residents other than banks and general government				Of which:				
	Non-oil companies	Oil companies and misc.	Total	Portfolio investment	Foreign currency	Sterling	Transactions with banks abroad	Other liabilities	Other external liabilities of general government	Total debits	Private sector and public corporations	General government	Private sector and public corporations	General government	Total
	CGNX	HHCF	HHCH	HERN	HHID	HHIE	HERO	HERQ	HERR	CGGK	HHII	HERS	CGQD	HERV	CGOA
1980	1 873	2 900	4 773	1 108	15 323	1 204	1 179	51	273	23 910	23 015	895	-279	52	-228
1981	1 961	2 741	4 702	1 202	27 157	1 527	1 437	53	230	36 308	35 369	940	1 190	31	1 222
1982	2 081	2 586	4 667	1 283	32 932	1 879	1 751	124	294	42 929	41 839	1 091	1 581	-113	1 468
1983	2 308	2 958	5 266	1 327	28 893	2 032	1 631	137	304	39 588	38 399	1 188	3 318	-425	2 893
1984	2 965	3 314	6 279	1 478	34 731	2 286	1 890	200	333	47 197	45 868	1 328	5 030	-511	4 518
1985	3 502	4 005	7 507	1 864	34 282	3 560	1 807	267	304	49 592	48 114	1 478	3 463	-743	2 721
1986	2 982	2 211	5 193	2 536	29 038	3 551	1 664	294	295	42 570	40 904	1 667	6 131	-903	5 228
1987	4 168	2 679	6 847	3 484	27 183	4 007	1 766	368	308	43 961	41 937	2 023	5 340	-1 092	4 248
1988	6 480	1 983	8 463	4 519	30 754	4 927	1 972	543	374	51 550	49 251	2 301	6 189	-845	5 346
1989	7 264	3 076	10 340	6 006	42 018	8 204	3 046	930	604	71 149	68 722	2 427	3 487	-479	3 008
Not seasonally adjusted															
1984 Q1	709	1 110	1 819	382	7 501	480	397	45	50	10 674	10 342	332	1 006	-142	864
Q2	772	816	1 588	363	7 930	519	470	45	94	11 009	10 690	318	1 036	-95	940
Q3	658	694	1 352	405	9 335	545	468	55	60	12 220	11 866	354	1 489	-161	1 328
Q4	826	694	1 520	328	9 965	742	555	55	129	13 294	12 970	324	1 499	-113	1 386
1985 Q1	898	1 459	2 357	436	9 740	717	485	62	65	13 862	13 482	380	1 085	-204	881
Q2	1 026	870	1 896	420	8 912	883	471	69	73	12 724	12 405	319	854	-127	728
Q3	647	669	1 316	535	7 985	1 000	405	67	56	11 364	10 959	405	1 254	-239	1 015
Q4	931	1 007	1 938	473	7 645	960	446	69	110	11 642	11 268	374	270	-173	97
1986 Q1	573	732	1 305	638	7 471	890	407	69	62	10 842	10 378	464	1 313	-281	1 032
Q2	804	461	1 265	571	6 958	900	427	65	64	10 250	9 916	334	1 449	-150	1 300
Q3	726	310	1 036	702	7 224	883	380	71	53	10 349	9 890	459	1 926	-267	1 659
Q4	879	708	1 587	625	7 385	878	450	89	116	11 129	10 720	410	1 443	-205	1 237
1987 Q1	984	890	1 874	843	6 526	956	424	84	61	10 767	10 201	566	1 630	-382	1 248
Q2	1 067	508	1 575	798	6 910	1 031	439	88	67	10 908	10 532	376	1 322	-147	1 175
Q3	1 030	464	1 494	974	6 813	939	438	90	66	10 814	10 214	599	1 646	-373	1 273
Q4	1 087	817	1 904	869	6 934	1 081	465	106	114	11 472	10 990	482	742	-190	552
1988 Q1	1 458	562	2 020	1 050	7 376	972	455	106	74	12 052	11 387	665	1 403	-338	1 066
Q2	1 593	446	2 039	1 073	7 381	1 066	440	119	78	12 196	11 758	439	1 627	-63	1 564
Q3	1 654	427	2 081	1 225	7 964	1 279	497	147	83	13 276	12 589	687	1 896	-310	1 586
Q4	1 775	548	2 323	1 171	8 033	1 610	580	171	139	14 026	13 517	510	1 263	-134	1 130
1989 Q1	1 717	645	2 362	1 378	9 448	1 699	641	194	112	15 835	15 162	673	1 764	-233	1 531
Q2	1 839	762	2 601	1 360	10 323	1 966	729	228	134	17 341	16 859	482	1 114	18	1 132
Q3	1 648	543	2 191	1 640	10 547	2 005	810	238	146	17 577	16 874	703	992	-238	754
Q4	2 060	1 126	3 186	1 628	11 700	2 534	866	270	212	20 396	19 827	569	-383	-26	-409
Seasonally adjusted															
	CGEU	HHCG	HHCI	HHIA	HHIV	HHIH	HHHX	HHHZ	HHHY	CGHJ	HHHK	HHHL	CGMW	HHHM	AIMD
1984 Q1	721	832	1 553	354	7 501	515	421	45	69	10 458	10 149	309	1 018	-113	905
Q2	717	939	1 656	367	7 930	519	448	45	103	11 068	10 719	350	1 031	-117	914
Q3	715	987	1 702	377	9 335	595	495	55	79	12 638	12 304	335	1 138	-142	997
Q4	812	556	1 368	380	9 965	657	526	55	82	13 033	12 696	334	1 843	-139	1 702
1985 Q1	897	1 112	2 009	393	9 740	763	509	62	82	13 556	13 212	344	1 109	-163	946
Q2	950	1 044	1 994	448	8 912	876	453	69	78	12 831	12 462	369	851	-169	682
Q3	704	988	1 692	492	7 985	961	426	67	72	11 694	11 318	376	978	-209	769
Q4	951	861	1 812	531	7 645	960	419	69	72	11 511	11 122	389	525	-202	324
1986 Q1	571	578	1 149	589	7 471	931	425	70	78	10 713	10 305	408	1 284	-218	1 066
Q2	740	568	1 308	599	6 958	887	414	65	68	10 300	9 903	397	1 437	-204	1 233
Q3	779	461	1 240	637	7 224	936	396	72	71	10 577	10 165	411	1 681	-219	1 461
Q4	892	604	1 496	711	7 385	797	429	87	78	10 980	10 531	451	1 729	-262	1 468
1987 Q1	984	753	1 737	773	6 526	992	438	85	74	10 625	10 159	466	1 490	-279	1 211
Q2	990	617	1 607	852	6 910	1 028	429	89	68	10 983	10 493	490	1 319	-257	1 061
Q3	1 096	642	1 738	896	6 813	984	449	93	81	11 053	10 529	524	1 377	-298	1 079
Q4	1 098	667	1 765	963	6 934	1 003	450	101	85	11 300	10 756	543	1 154	-258	897
1988 Q1	1 438	463	1 901	1 011	7 376	1 013	464	108	86	11 959	11 409	551	1 214	-225	989
Q2	1 487	525	2 012	1 098	7 381	1 069	434	120	80	12 194	11 619	576	1 672	-198	1 474
Q3	1 712	575	2 287	1 128	7 964	1 345	493	151	98	13 465	12 885	580	1 637	-203	1 434
Q4	1 843	420	2 263	1 282	8 033	1 500	581	164	110	13 932	13 338	594	1 666	-219	1 449
1989 Q1	1 705	537	2 242	1 419	9 448	1 764	655	196	123	15 848	15 275	573	1 454	-134	1 320
Q2	1 727	916	2 643	1 349	10 323	1 970	719	230	136	17 369	16 761	608	1 113	-107	1 006
Q3	1 728	735	2 463	1 528	10 547	2 105	821	241	160	17 864	17 260	604	630	-138	492
Q4	2 104	888	2 992	1 710	11 700	2 365	851	263	185	20 068	19 426	642	290	-100	190

A7 Transfers

£ million

	Credits							Debits						Balance	
		General government							General government						
		European Community institutions								EC institutions					
	Private	Agricultural Fund	Social Fund	Regional Development Fund	Negotiated refunds	Other	Total	Private	Bilateral aid	Before VAT abatement	VAT abatement	Other	Total	Total	Of which: with EC institutions[1]
	CGJV	HCOW	HDIZ	HBZA	CGPI	HHAA	HDKD	CGGV	CGEG	HHHO	HHHP	HHAB	CGGJ	CGIO	CGII
1980	935	550	95	173	98	42	958	1 139	528	1 783	-	427	2 738	-1 984	-825
1981	1 117	683	107	145	693	47	1 675	1 057	584	2 188	-	510	3 282	-1 547	-513
1982	1 248	791	152	111	1 019	81	2 154	1 200	496	2 878	-	569	3 943	-1 741	-724
1983	1 512	1 082	128	139	807	79	2 235	1 167	534	2 994	-	637	4 165	-1 585	-759
1984	1 631	1 353	283	184	528	44	2 392	1 266	560	3 213	-	718	4 491	-1 734	-821
1985	1 749	1 203	256	274	61	76	1 870	1 451	614	3 970	-166	784	5 202	-3 034	-1 934
1986	1 732	1 385	335	298	-	120	2 138	1 656	656	4 513	-1 701	903	4 371	-2 157	-674
1987	1 670	1 345	428	404	-	105	2 282	1 795	570	5 219	-1 153	923	5 559	-3 402	-1 784
1988	1 707	1 379	277	370	-	89	2 115	2 005	756	5 150	-1 595	1 076	5 387	-3 570	-1 440
1989	1 750	1 315	406	347	-	73	2 141	2 050	923	5 598	-1 156	1 203	6 568	-4 727	-2 301
Not seasonally adjusted															
1984 Q1	397	407	180	67	-	13	667	304	248	783	-	215	1 246	-486	-116
Q2	404	244	10	17	-	13	284	312	68	787	-	221	1 076	-700	-503
Q3	411	306	5	31	-	9	351	321	102	748	-	145	995	-554	-397
Q4	419	396	88	69	528	9	1 090	329	142	895	-	137	1 174	6	195
1985 Q1	434	277	101	85	61	39	563	345	290	1 137	-	241	1 668	-1 016	-574
Q2	436	231	4	39	-	3	277	357	73	721	-	241	1 035	-679	-444
Q3	438	306	147	78	-	11	542	369	124	1 091	-	165	1 380	-769	-549
Q4	441	389	4	72	-	23	488	380	127	1 021	-166	137	1 119	-570	-367
1986 Q1	438	488	8	94	-	34	624	398	292	936	-657	256	827	-163	345
Q2	435	326	184	2	-	29	541	409	57	1 069	-225	253	1 154	-587	-303
Q3	431	339	13	140	-	18	510	419	113	1 347	-478	230	1 212	-690	-359
Q4	428	232	130	62	-	39	463	430	194	1 161	-341	164	1 178	-717	-357
1987 Q1	419	626	86	125	-	36	873	433	299	1 565	-299	270	1 835	-976	-393
Q2	418	332	226	56	-	2	616	443	66	1 312	-287	268	1 359	-768	-409
Q3	417	294	24	119	-	37	474	454	104	1 307	-284	199	1 326	-889	-549
Q4	416	93	92	104	-	30	319	465	101	1 035	-283	186	1 039	-769	-433
1988 Q1	423	336	51	87	-	7	481	489	387	1 265	-283	339	1 708	-1 293	-501
Q2	426	445	121	51	-	4	621	497	76	1 285	-270	326	1 417	-867	-394
Q3	428	402	65	73	-	60	600	505	141	954	-648	194	641	-118	294
Q4	430	196	40	159	-	18	413	514	152	1 646	-394	217	1 621	-1 292	-839
1989 Q1	433	555	83	138	-	19	795	508	439	1 294	-289	378	1 822	-1 102	-210
Q2	436	336	215	98	-	19	668	511	80	1 295	-289	307	1 393	-800	-338
Q3	439	222	8	26	-	14	270	514	189	1 317	-289	274	1 491	-1 296	-758
Q4	442	202	100	85	-	21	408	517	215	1 692	-289	244	1 862	-1 529	-995
Seasonally adjusted															
		HHAC	HHAD			HHAE	HHAH		CGEM	HHHT		HHAG	CGHI	AIME	CGIR
1984 Q1	397	401	180	67	-	13	661	304	128	783	-	152	1 063	-309	-122
Q2	404	308	10	17	-	13	348	312	138	787	-	164	1 089	-649	-439
Q3	411	310	5	31	-	9	355	321	137	748	-	198	1 083	-638	-393
Q4	419	334	88	69	528	9	1 028	329	157	895	-	204	1 256	-138	133
1985 Q1	434	272	101	85	61	39	558	345	149	1 137	-	173	1 459	-812	-579
Q2	436	294	4	39	-	3	340	357	155	721	-	193	1 069	-650	-381
Q3	438	310	147	78	-	11	546	369	168	1 091	-	230	1 489	-874	-545
Q4	441	327	4	72	-	23	426	380	142	1 021	-166	188	1 185	-698	-429
1986 Q1	438	485	8	94	-	34	621	398	139	936	-657	176	594	67	342
Q2	435	391	184	2	-	29	606	409	127	1 069	-225	205	1 176	-544	-238
Q3	431	347	13	140	-	18	518	419	153	1 347	-478	311	1 333	-803	-351
Q4	428	162	130	62	-	39	393	430	237	1 161	-341	211	1 268	-877	-427
1987 Q1	419	604	86	125	-	36	851	433	140	1 565	-299	197	1 603	-766	-415
Q2	418	385	226	56	-	2	669	443	157	1 312	-287	221	1 403	-759	-356
Q3	417	293	24	119	-	37	473	454	144	1 307	-284	251	1 418	-982	-550
Q4	416	63	92	104	-	30	289	465	129	1 035	-283	254	1 135	-895	-463
1988 Q1	423	336	51	87	-	7	481	489	176	1 265	-283	245	1 403	-988	-501
Q2	426	445	121	51	-	4	621	497	187	1 285	-270	283	1 485	-935	-394
Q3	428	402	65	73	-	60	600	505	194	954	-648	234	734	-211	294
Q4	430	196	40	159	-	18	413	514	199	1 646	-394	314	1 765	-1 436	-839
1989 Q1	433	555	83	138	-	19	795	508	194	1 294	-289	260	1 459	-739	-210
Q2	436	336	215	98	-	19	668	511	195	1 295	-289	280	1 481	-888	-338
Q3	439	222	8	26	-	14	270	514	256	1 317	-289	345	1 629	-1 434	-758
Q4	442	202	100	85	-	21	408	517	278	1 692	-289	318	1 999	-1 666	-995

1 This series does not have the same coverage as that shown in Table 3.3 of *The Government Expenditure Plans 1988-1989 to 1990-1991 (Cm 288-II)*. The main differences are that the latter excludes the United Kingdom's contribution to the Community Budget expenditure on overseas aid (which is attributed to the aid programme) and includes the services credits shown in Table A5.

A8 Summary of transactions in UK external assets and liabilities[1]

£ million, not seasonally adjusted

	Transactions in external assets							Transactions in external liabilities						
	UK investment overseas							Overseas investment in the United Kingdom						
	Direct	Portfolio	Lending etc to overseas residents by UK banks[2]	Deposits and lending overseas by UK residents other than banks and general government[3]	Official reserves	Other external assets of central government	Total	Direct	Portfolio	Borrowing etc from overseas residents by UK banks[2]	Borrowing from overseas by UK residents other than banks and general government	Other external liabilities of general government	Total	Net transactions
	HHBV	CGOS	HEYN	HETJ	AIPA	HEUJ	HEPZ	HHBU	HEYR	HEYS	HTEV	HEUR	HEQW	HEQU
1980	-4 867	-3 310	-32 614	-2 711	-291	351	-43 439	4 355	1 441	33 549	758	-594	39 509	-3 930
1981	-6 005	-4 468	-39 919	-2 890	2 419	93	-50 770	2 932	257	39 260	1 089	-206	43 334	-7 437
1982	-4 091	-7 564	-20 540	-472	1 421	-161	-31 406	3 027	-11	24 325	1 070	409	28 820	-2 588
1983	-5 417	-7 193	-18 394	702	607	-478	-30 172	3 386	1 701	21 137	-18	-584	25 622	-4 551
1984	-6 033	-9 868	-14 372	-1 932	908	-743	-32 040	-181	1 310	24 797	-1 745	-40	24 142	-7 899
1985	-8 456	-19 436	-21 835	-711	-1 758	-730	-52 928	3 865	8 733	29 461	3 414	24	45 498	-7 429
1986	-11 782	-23 072	-53 840	-797	-2 891	-509	-92 892	4 945	9 365	63 966	4 331	178	82 784	-10 107
1987	-19 033	3 326	-50 322	-4 953	-12 012	-796	-83 791	8 508	14 194	52 814	3 399	1 572	80 489	-3 301
1988	-20 760	-9 898	-19 267	-3 002	-2 761	-891	-56 579	8 990	11 794	33 844	6 013	904	61 546	4 966
1989	-19 164	-37 779	-27 482	-5 361	5 439	-942	-85 288	15 848	12 066	41 770	18 473	1 470	89 629	4 341
1980 Q1	-1 581	-527	-10 815	-1 107	-457	88	-14 398	1 303	19	11 258	344	88	13 012	-1 386
Q2	-1 642	-323	-5 511	-554	-140	11	-8 158	861	958	6 190	180	-258	7 931	-227
Q3	-627	-1 140	-3 348	154	223	38	-4 699	941	526	3 379	-382	-121	4 343	-356
Q4	-1 017	-1 320	-12 940	-1 204	83	214	-16 184	1 250	-62	12 722	616	-303	14 223	-1 961
1981 Q1	-1 535	-1 449	-11 199	-697	-319	85	-15 114	377	-6	9 905	484	39	10 800	-4 315
Q2	-1 328	-1 079	-6 737	-808	1 448	-30	-8 534	1 181	-160	5 444	-523	90	6 032	-2 502
Q3	-1 345	-810	-12 182	-709	1 167	30	-13 849	662	51	11 932	476	10	13 132	-717
Q4	-1 797	-1 130	-9 801	-676	123	8	-13 273	712	372	11 979	652	-345	13 370	97
1982 Q1	-1 161	-1 962	-9 827	1 379	11	-42	-11 602	1 355	-235	11 306	-958	-144	11 324	-278
Q2	-840	-1 631	1 700	49	699	-15	-37	875	-138	-27	406	100	1 216	1 178
Q3	-1 031	-1 770	-14 920	-358	-288	-48	-18 415	529	-389	15 666	223	389	16 418	-1 998
Q4	-1 059	-2 201	2 507	-1 542	999	-56	-1 352	268	751	-2 620	1 399	64	-138	-1 490
1983 Q1	-1 958	-2 052	-7 279	117	652	-203	-10 723	636	297	7 830	86	-395	8 454	-2 270
Q2	-462	-2 012	2 085	410	-142	-74	-194	1 352	994	-1 393	-609	32	376	182
Q3	-1 568	-1 329	-8 315	-132	-33	-89	-11 467	1 191	346	10 137	81	109	11 864	397
Q4	-1 429	-1 800	-4 885	307	130	-112	-7 788	207	64	4 563	424	-330	4 928	-2 860
1984 Q1	-1 673	-3 800	-9 136	710	77	-262	-14 083	1 292	285	11 521	-348	145	12 895	-1 188
Q2	-636	-152	-7 499	-1 333	857	-151	-8 914	-2 940	-522	11 032	-866	150	6 855	-2 060
Q3	-1 854	-2 779	5 013	-1 119	279	-135	-596	1 497	354	-2 568	-80	235	-562	-1 158
Q4	-1 870	-3 137	-2 750	-190	-305	-195	-8 447	-30	1 193	4 812	-451	-570	4 954	-3 493
1985 Q1	-3 353	-6 503	-6 236	-1 005	90	-214	-17 221	2 212	1 350	9 420	126	143	13 252	-3 969
Q2	-1 666	-4 881	658	-96	-607	-186	-6 779	382	3 068	390	2 194	11	6 045	-734
Q3	-1 982	-3 707	-10 763	555	-49	-76	-16 022	613	1 169	8 744	-411	19	10 134	-5 888
Q4	-1 455	-4 345	-5 494	-165	-1 192	-254	-12 906	658	3 146	10 907	1 505	-149	16 067	3 162
1986 Q1	-829	-6 542	-8 857	947	-580	63	-15 798	1 294	1 240	11 607	-1 065	134	13 210	-2 587
Q2	-1 742	-6 434	-6 060	-655	-296	-153	-15 340	967	1 988	7 597	1 208	130	11 889	-3 451
Q3	-3 765	-7 271	-28 758	-1 293	-2 321	-160	-43 569	1 495	3 224	33 762	4 062	111	42 653	-916
Q4	-5 446	-2 825	-10 165	204	306	-259	-18 185	1 189	2 913	11 000	126	-197	15 032	-3 153
1987 Q1	-2 608	-4 266	-7 332	-2 008	-1 523	-213	-17 949	1 728	2 674	10 906	1 080	-5	16 383	-1 566
Q2	-5 785	-208	-15 113	-511	-4 469	-159	-26 245	474	4 506	20 632	684	764	27 060	816
Q3	-7 605	503	-16 976	-1 768	-269	-167	-26 283	2 546	5 875	13 333	1 199	26	22 980	-3 303
Q4	-3 035	7 297	-10 901	-666	-5 751	-257	-13 314	3 760	1 139	7 943	436	787	14 066	752
1988 Q1	-4 810	-1 549	1 278	926	-653	-208	-5 016	4 091	3 511	1 443	1 208	-427	9 827	4 810
Q2	-5 570	-3 698	-8 782	-1 651	-631	-200	-20 532	935	2 386	14 099	2 369	176	19 965	-567
Q3	-4 011	-898	-16 714	-549	-995	-215	-23 382	1 220	4 347	17 087	1 582	-116	24 120	739
Q4	-6 369	-3 753	4 951	-1 728	-482	-268	-7 649	2 744	1 550	1 215	854	1 271	7 634	-16
1989 Q1	-6 486	-6 442	-15 148	19	502	-193	-27 748	4 874	784	23 098	3 036	-110	31 682	3 934
Q2	-4 833	-9 519	1 098	-4 425	2 134	-290	-15 834	5 502	3 822	-1 954	6 547	160	14 077	-1 757
Q3	-3 632	-8 247	-7 967	-287	357	-206	-19 982	2 204	4 676	16 034	4 173	867	27 955	7 973
Q4	-4 213	-13 571	-5 465	-668	2 446	-253	-21 724	3 268	2 784	4 592	4 717	553	15 915	-5 809

1 UK assets: increase-/decrease+. UK liabilities: increase+/decrease-.

2 Prior to 1979 foreign currency lending abroad (other than certain export credit extended) is recorded on a net basis under liabilities. Prior to 1982 includes transactions by 'other financial institutions', which are subsequently included in transactions by UK residents other than banks and general government.

3 Only partial coverage for the most recent quarter - see Table A12.

A9 Direct investment

£ million, not seasonally adjusted

	Investment overseas by UK residents (Transactions in assets)			Investment in UK by overseas residents (Transactions in liabilities)					
	All companies and miscellaneous			In non-oil companies		In oil companies			
	Unremitted profits	Other	Total direct investment	Unremitted profits	Other	Unremitted profits	Other	Miscellaneous	Total direct investment
	HHDR	HHDS	HHBV	CGLU	CGLM	HERX	HEYZ	CGLO	HHBU
1984	-4 885	-1 148	-6 033	1 409	612	936	-3 203	65	-181
1985	-4 848	-3 608	-8 456	1 661	-92	2 079	127	90	3 865
1986	-4 552	-7 230	-11 782	732	2 133	501	1 429	150	4 945
1987	-7 332	-11 701	-19 033	2 099	4 500	1 171	448	290	8 508
1988	-8 748	-12 014	-20 760	1 455	4 619	829	1 631	456	8 990
1989	-8 773	-10 391	-19 164	2 971	10 538	1 363	27	951	15 848
1986 Q1	-881	52	-829	206	437	506	115	30	1 294
Q2	-1 030	-712	-1 742	301	430	373	-187	50	967
Q3	-1 248	-2 517	-3 765	358	369	256	492	20	1 495
Q4	-1 393	-4 053	-5 446	-133	897	-634	1 009	50	1 189
1987 Q1	-2 002	-606	-2 608	505	338	814	-99	170	1 728
Q2	-1 805	-3 980	-5 785	761	363	55	-755	50	474
Q3	-1 856	-5 749	-7 605	744	1 485	95	192	30	2 546
Q4	-1 669	-1 366	-3 035	89	2 314	207	1 110	40	3 760
1988 Q1	-1 961	-2 849	-4 810	543	287	313	2 873	75	4 091
Q2	-1 710	-3 860	-5 570	263	1 044	51	-459	36	935
Q3	-2 519	-1 492	-4 011	1 081	286	298	-527	82	1 220
Q4	-2 556	-3 813	-6 369	-432	3 002	167	-256	263	2 744
1989 Q1	-1 785	-4 701	-6 486	1 226	2 528	495	506	119	4 874
Q2	-2 178	-2 655	-4 833	1 313	3 253	496	158	282	5 502
Q3	-2 422	-1 210	-3 632	1 055	1 590	360	-951	150	2 204
Q4	-2 388	-1 825	-4 213	-623	3 165	12	314	400	3 268

A10 Portfolio investment

£ million, not seasonally adjusted

	Investment overseas by UK residents (Transactions in assets)				Investment in UK securites by overseas residents (Transactions in liabilities)							
					British government stocks					UK companies' securities		
	UK banks	Other financial institutions[1]	Other	Total portfolio investment	Overseas monetary authorities	Other overseas residents	British government foreign currency notes and bonds	Local authorities' securities	Public corporations' securities	Bonds etc	Ordinary shares	Total portfolio investment
	HHAL	HHAM	HHAN	CGOS	AING	CGLV	HEZP	HHIG	HEZX	HGDY	HGDZ	HEYR
1984	-7 980	-2 071	183	-9 868	188	781	-342	-4	-229	-158	1 074	1 310
1985	-10 120	-7 234	-2 082	-19 436	1 482	1 438	294	-3	-10	4 134	1 398	8 733
1986	-7 563	-14 370	-1 139	-23 072	278	1 904	1 153	-1	-4	3 517	2 518	9 365
1987	294	7 552	-4 521	3 326	1 322	3 027	-556	-1	-113	4 679	5 836	14 194
1988	-1 157	-5 713	-3 028	-9 898	185	375	60	-	-56	8 580	2 650	11 794
1989	-6 256	-22 389	-9 134	-37 779	-682	-870	538	-	-411	11 589	1 902	12 066
1986 Q1	-1 128	-5 258	-156	-6 542	-152	224	-52	-1	138	278	805	1 240
Q2	-2 250	-3 895	-289	-6 434	344	424	12	-	-126	573	761	1 988
Q3	-2 728	-4 139	-404	-7 271	45	507	836	-	-7	1 554	289	3 224
Q4	-1 457	-1 078	-290	-2 825	41	749	357	-	-9	1 112	663	2 913
1987 Q1	116	-2 103	-2 279	-4 266	30	624	-170	-1	-76	224	2 043	2 674
Q2	73	644	-925	-208	583	542	-25	-	4	2 448	954	4 506
Q3	-112	1 911	-1 296	503	1 302	1 063	-208	-	-40	1 729	2 029	5 875
Q4	217	7 100	-21	7 297	-593	798	-153	-	-1	278	810	1 139
1988 Q1	-209	-281	-1 059	-1 549	516	92	-26	-	4	2 532	393	3 511
Q2	-1 106	-2 324	-268	-3 698	65	458	175	-	-9	1 700	-3	2 386
Q3	554	-558	-894	-898	-197	70	285	-	-8	2 367	1 830	4 347
Q4	-396	-2 550	-807	-3 753	-199	-245	-374	-	-43	1 981	430	1 550
1989 Q1	-1 006	-3 745	-1 691	-6 442	-480	281	88	-	-245	2 149	-1 009	784
Q2	-1 152	-5 772	-2 595	-9 519	-281	-862	-70	-	-26	2 865	2 196	3 822
Q3	-993	-6 115	-1 139	-8 247	68	488	123	-	23	3 986	-12	4 676
Q4	-3 105	-6 757	-3 709	-13 571	11	-777	397	-	-163	2 589	727	2 784

1 Includes securities dealers from 1984.

A11 Transactions of UK banks (excluding direct and portfolio investment)

£ million, not seasonally adjusted

	Transactions in external assets						Transactions in external liabilities					Net transactions		
	Foreign currency lending abroad			Sterling lending abroad			Borrowing and deposit liabilities abroad							
								Sterling						
	Identified long-term export credit	Other	Total	Identified export credit	Other	Total	Total	Foreign currency	Overseas authorities' exchange reserves	Other	Total	Total	Foreign currency	Sterling	Total
	HEZY	HGCD	HEZZ	HHIL	HCAE	HCAD	HEYN	HCAF	HCHE	CGDI	HEPD	HEYS	HCAG	HCAH	HCAI
1984	-161	-9 278	-9 439	-215	-4 718	-4 933	-14 372	18 648	1 022	5 127	6 149	24 797	9 209	1 216	10 425
1985	505	-20 705	-20 200	90	-1 725	-1 635	-21 835	25 306	150	4 005	4 155	29 461	5 106	2 520	7 626
1986	699	-48 584	-47 885	-116	-5 839	-5 955	-53 840	58 361	-283	5 888	5 605	63 966	10 476	-350	10 126
1987	637	-46 321	-45 684	518	-5 156	-4 638	-50 322	44 277	1 681	6 856	8 537	52 814	-1 407	3 899	2 492
1988	271	-14 969	-14 698	247	-4 816	-4 569	-19 267	20 301	2 132	11 411	13 543	33 844	5 603	8 974	14 577
1989	269	-24 853	-24 584	217	-3 115	-2 898	-27 482	31 493	274	10 003	10 277	41 770	6 909	7 379	14 288
1986 Q1	265	-7 063	-6 798	-226	-1 833	-2 059	-8 857	7 722	484	3 401	3 885	11 607	924	1 826	2 750
Q2	219	-5 748	-5 529	53	-584	-531	-6 060	8 458	-811	-50	-861	7 597	2 929	-1 392	1 537
Q3	282	-27 549	-27 267	19	-1 510	-1 491	-28 758	33 066	-8	704	696	33 762	5 799	-795	5 004
Q4	-67	-8 224	-8 291	38	-1 912	-1 874	-10 165	9 115	52	1 833	1 885	11 000	824	11	835
1987 Q1	264	-6 334	-6 070	97	-1 359	-1 262	-7 332	8 458	434	2 014	2 448	10 906	2 388	1 186	3 574
Q2	98	-15 235	-15 137	118	-94	24	-15 113	19 292	-417	1 757	1 340	20 632	4 155	1 364	5 519
Q3	191	-14 539	-14 348	158	-2 786	-2 628	-16 976	10 484	343	2 506	2 849	13 333	-3 864	221	-3 643
Q4	84	-10 213	-10 129	145	-917	-772	-10 901	6 043	1 321	579	1 900	7 943	-4 086	1 128	-2 958
1988 Q1	125	3 481	3 606	75	-2 403	-2 328	1 278	-1 879	545	2 777	3 322	1 443	1 727	994	2 721
Q2	52	-4 330	-4 278	45	-4 549	-4 504	-8 782	5 301	831	7 967	8 798	14 099	1 023	4 294	5 317
Q3	65	-15 611	-15 546	72	-1 240	-1 168	-16 714	14 652	-27	2 462	2 435	17 087	-894	1 267	373
Q4	29	1 491	1 520	55	3 376	3 431	4 951	2 227	783	-1 795	-1 012	1 215	3 747	2 419	6 166
1989 Q1	3	-16 364	-16 361	-155	1 368	1 213	-15 148	19 617	1 359	2 122	3 481	23 098	3 256	4 694	7 950
Q2	63	4 183	4 246	127	-3 275	-3 148	1 098	-5 122	-824	3 992	3 168	-1 954	-876	20	-856
Q3	102	-8 352	-8 250	105	178	283	-7 967	11 912	452	3 670	4 122	16 034	3 662	4 405	8 067
Q4	101	-4 320	-4 219	140	-1 386	-1 246	-5 465	5 086	-713	219	-494	4 592	867	-1 740	-873

A12 Transactions of UK residents other than banks and general government (excluding direct and portfolio investment)

£ million, not seasonally adjusted

	Transactions in external assets			Transactions in external liabilities			Net transactions		
	With banks abroad[1]	Other	Total	With banks abroad[1]	Other	Total	Public corporations	UK non-bank private sector	Total
	HESZ	HETE	HETJ	HETN	HETQ	HTEV	HETW	HETY	HETZ
1984	-3 213	1 281	-1 932	-2 263	517	-1 745	-236	-3 441	-3 677
1985	-1 240	529	-711	2 682	731	3 414	295	2 407	2 701
1986	-2 724	1 927	-797	3 787	544	4 331	-121	3 656	3 536
1987	-5 369	416	-4 953	2 002	1 399	3 399	-138	-1 415	-1 553
1988	-3 863	861	-3 002	3 863	2 152	6 013	-272	3 283	3 012
1989	-6 819	1 458	-5 361	6 200	12 273	18 473	-1 145	14 258	13 113
1986 Q1	536	411	947	-1 155	90	-1 065	-138	20	-117
Q2	-1 205	550	-655	1 012	196	1 208	-16	569	553
Q3	-1 780	487	-1 293	3 670	392	4 062	24	2 745	2 769
Q4	-275	479	204	260	-134	126	9	322	331
1987 Q1	-2 446	438	-2 008	326	755	1 080	92	-1 019	-927
Q2	-818	307	-511	906	-222	684	-105	278	173
Q3	-1 697	-71	-1 768	475	724	1 199	-20	-549	-569
Q4	-408	-258	-666	295	142	436	-105	-125	-230
1988 Q1	1 287	-361	926	672	537	1 208	-17	2 151	2 134
Q2	-2 003	352	-1 651	1 632	737	2 369	-137	855	718
Q3	-1 259	710	-549	959	624	1 582	-55	1 088	1 034
Q4	-1 888	160	-1 728	600	254	854	-63	-811	-874
1989 Q1	-478	497	19	1 522	1 513	3 036	-180	3 235	3 055
Q2	-2 925	-1 500	-4 425	2 280	4 267	6 547	-406	2 528	2 122
Q3	-1 722	1 435	-287	1 430	2 743	4 173	-316	4 203	3 886
Q4	-1 694	1 026	-668	968	3 750	4 717	-243	4 292	4 050

1 The figure for the most recent quarter is based on less information than earlier quarters, for which in particular 'cross border' data of overseas banks are also available via the IMF.

2 Includes securities dealers' transactions with non-banks abroad from the second quarter of 1989.

A13 Transactions of general government (excluding portfolio liabilities)

£ million, not seasonally adjusted

	Transactions in external assets					Transactions in external liabilities									
								Borrowing from banks etc overseas by		Treasury bills					
	Official reserves	Inter-government loans by UK	Export credit	Other	Total	IMF	Inter-government loans to UK	HM Government	Local authorities[1]	Sterling	ECUs	Non-interest bearing notes	Other	Total	Net transactions
	AIPA	HEUC	HEPF	HHIC	HEUI	AION	HEUL	HCJN	HEUQ	AARB	HHNW	HCHO	HHIB	HEUR	HCCG
1984	908	66	-603	-205	165	-	-103	-	49	145	-	-21	-110	-40	124
1985	-1 758	52	-573	-209	-2 488	-	-86	-	85	-13	-	28	11	24	-2 464
1986	-2 891	69	-352	-227	-3 401	-	-86	-	99	207	-	-248	207	178	-3 223
1987	-12 012	84	-671	-210	-12 808	-	-69	-	102	1 104	-	273	162	1 572	-11 236
1988	-2 761	66	-702	-255	-3 652	-	-73	-	-10	25	739	-70	293	904	-2 747
1989	5 439	47	-604	-384	4 497	-	-83	-	-65	888	403	205	122	1 470	5 969
1986 Q1	-580	-	106	-44	-518	-	-	-	47	-49	-	93	43	134	-383
Q2	-296	14	-130	-37	-449	-	-1	-	43	-11	-	-52	151	130	-319
Q3	-2 321	17	-141	-36	-2 481	-	-	-	18	93	-	-13	13	111	-2 371
Q4	306	38	-187	-110	47	-	-85	-	-9	174	-	-276	-	-197	-150
1987 Q1	-1 523	21	-149	-85	-1 736	-	-	-	7	-11	-	131	-132	-5	-1 741
Q2	-4 469	22	-164	-17	-4 628	-	-1	-	96	375	-	179	115	764	-3 864
Q3	-269	24	-144	-47	-436	-	-	-	-6	40	-	-39	31	26	-410
Q4	-5 751	17	-214	-61	-6 008	-	-68	-	5	700	-	2	148	787	-5 221
1988 Q1	-653	23	-148	-83	-861	-	-	-	22	-335	-	-29	-85	-427	-1 288
Q2	-631	16	-156	-60	-831	-	-	-	-12	179	-	53	-44	176	-655
Q3	-995	15	-169	-61	-1 210	-	-	-	-6	-119	-	-10	19	-116	-1 325
Q4	-482	12	-229	-51	-750	-	-73	-	-14	300	739	-84	403	1 271	521
1989 Q1	502	17	-98	-113	309	-	-	-	-6	-161	236	130	-309	-110	199
Q2	2 134	6	-227	-68	1 844	-	-	-	-15	228	-2	-46	-5	160	2 005
Q3	357	11	-105	-112	151	-	-	-	-12	454	40	-43	428	867	1 019
Q4	2 446	13	-174	-91	2 193	-	-83	-	-32	367	129	164	8	553	2 746

1 Including Northern Ireland central government.

The Budget: 20 March 1990

The following are the proposed changes in taxation and national insurance as set out in the *Financial Statement and Budget Report 1989-90* (HMSO March 1989) (Price £7.80)

Income tax

The main income tax allowances will be increased in line with the statutory indexation provisions (based on the increase of 7.7 per cent in the RPI in the year to December 1989). Independent Taxation of husband and wife will be introduced on 6 April 1990, as already announced. The allowances for 1990-91, and the increase over the equivalent allowances for 1989-90, will be:

— personal allowance £3,005 (up £220);

— married couple's allowance, additional personal allowance and widow's bereavement allowance £1,720 (up £130);

— for those aged 65 to 74: personal allowance £3,670 (up £270) and married couple's allowance £2,145 (up £160);

— for those aged 75 and over: personal allowance £3,820 (up £280) and married couple's allowance £2,185 (up £160);

— the income limit for age-related allowances £12,300 (up £900);

The basic rate limit will remain at £20,700 of taxable income.

The blind person's allowance will be doubled to £1,080.

Benefits-in-kind

The benefit-in-kind of workplace nurseries will be exempt from tax from 6 April 1990.

Car benefit scale charges will be increased by 20 per cent from 6 April 1990.

Charitable giving

The limit on charitable donations qualifying for tax relief under the payroll giving scheme will be increased from £480 to £600 a year from 6 April 1990. Income tax relief will be introduced for single donations of £600 or more by individuals to charities from 1 October 1990, up to a maximum of £5 million a year per donor. Corporation tax relief will be introduced on similar lines for donations by companies.

Savings

Tax Exempt Special Savings Accounts will be introduced from 1 January 1991. Individuals will be able to deposit up to £9,000 over a five year period. In the first year up to £3,000 may be deposited and in subsequent years £1,800 a year (£150 a month), subject to the overall limit.

Provided no withdrawal of capital is made during the five years, the interest will be totally exempt from tax. There will be an option to withdraw some interest as it arises, but if capital is withdrawn early, then all the interest will be subject to tax.

Personal equity plans

The annual limit on investment in Personal Equity Plans will be increased from £4,800 to £6,000. The annual limit on investment in qualifying unit and investment trusts will be increased from £2,400 to £3,000 and the limit for non-qualifying unit and investment trusts will be increased from £750 to £900.

Business taxation

The profits limit for the small companies' corporation tax rate of 25 per cent for the financial year 1990 will be raised from £150,000 to £200,000 and the limit for marginal relief will be raised from £750,000 to £1 million.

Rules for calculating tax relief for doubtful debts owed by sovereign and related debtors will be laid down broadly on the basis of guidelines issued by the Bank of England. In addition, in 1990-91 relief will not be allowed to exceed the amount which these rules produce in respect of 1989-90; in later years this limit will be increased by 5 per cent of the full value of debt each year. Relief for losses on disposals will be phased in a similar way.

Business expansion scheme

The general limit for investment in a company in any tax year will be increased from £500,000 to £750,000 from 1 May 1990.

Life assurance

Measures to complement the changes to life assurance taxation in the 1989 Finance Act were announced on 20 December 1989 to take effect from 1 January 1990.

Oil taxation

The tax treatment of future expenditure on abandoning offshore oil fields will be improved.

Capital gains tax

The capital gains tax annual exempt amount will remain at £5,000 in the case of individuals and £2,500 in the case of most trusts.

Employee share ownership plans (ESOPs)

Capital gains roll-over relief will be given for certain sales of shares to qualifying ESOP trusts.

Inheritance tax

From 6 April 1990 the threshold for inheritance tax will be increased in line with the statutory indexation provisions from £118,000 to £128,000.

Stamp duties

Stamp duties on share transactions will be abolished from a date late in 1991-92 to coincide as far as possible with the introduction of paperless share transfers.

VAT

The present turnover requirements for VAT registration will be replaced for most businesses by a single limit based on turnover in the previous twelve months.

From 21 March 1990 the VAT registration limit will be raised to £25,400 a year.

A comprehensive system will be introduced to provide relief from VAT on bad debts.

VAT relief for charities will be extended to all lifeboats and related capital items, the sale or export of donated goods by certain charities' trading companies, and preparatory work for certain types of advertising. Existing relief for equipment used in medical work, bought with donated funds, will be widened.

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Excise duties

The tax (duty and VAT) on beer, wines and spirits will rise by just under 2p on a typical pint of beer, just under 7p on a bottle of table wine and just over 54p on a bottle of whisky.

The tax (duty and VAT) on leaded petrol will be increased by 2.3p a litre (11p a gallon) and on unleaded petrol by 2p a litre (9p a gallon), increasing the tax differential in favour of unleaded petrol to 3.4p a litre (15½p a gallon). The tax on derv will rise by 2p a litre (9p a gallon).

The tax (duty and VAT) on cigarettes, cigars and hand-rolling tobacco will rise by just under 10p on a packet of 20 cigarettes, just under 5p on a packet of five small cigars and just under 30p on a 50 gram packet of hand-rolling tobacco. The duty on pipe tobacco will remain unchanged.

The rate of pool betting duty will be reduced from 42½ per cent to 40 per cent provided the pools promoters pass the full amount saved to the Football Trust for use in improving safety and conditions at football grounds.

Vehicle excise duties

Duty for most vehicles will remain unchanged. Duty for some lorries will be changed to continue the process of bringing the balance of taxation of different types of lorry more into line. Duty on lorries under 3.5 tonnes will be reduced to £100.

Composite rate

Composite rate tax will be abolished from 6 April 1991. The details are set out in the box opposite.

Abolition of composite rate tax

Under the present system of taxing interest, a fixed rate of tax—known as composite rate tax—is charged on interest paid to individuals by building societies, banks and certain other deposit-takers. It is not repayable in any circumstances, even to depositors who are not liable to tax. The rate is set at a level which achieves revenue neutrality as far as liability to tax at the basic rate is concerned—that is, it produces the same total tax as would be payable if investors who are liable to tax were charged at basic rate and those who are not liable paid no tax at all. Higher rate taxpayers remain liable for the additional tax between the basic rate of 25 per cent and the higher rate of 40 per cent. The composite rate (set at 22 per cent for 1990-91) is lower than the basic rate because many depositors are not liable to income tax.

Composite rate has a long history—a century in the case of building societies. Although it has been a convenient and cost-effective system of collecting tax, it has become increasingly unfair because some 14 million people on low incomes, who otherwise would not pay tax, are subsidising investors with higher incomes. If the system continued, there would be some 14 million people paying too much tax, mainly pensioners, married women and children.

It is therefore proposed to reform the system. From 6 April 1991 composite rate tax will be abolished and basic rate tax will be deducted from interest. Those not liable to tax will not have to bear the basic rate tax. There will be arrangements, to be discussed with the financial institutions, under which non-taxpayers will be able to receive interest free of tax; but any non-taxpayers who are unable to take advantage of these arrangements will be able to reclaim the tax deducted.

The switch from composite rate tax to the new system will, in principle, produce the same yield of tax. But there will be a significant timing effect where tax is deducted from interest received by non-taxpayers and repaid at a later date. The size of this effect will depend upon the details of the arrangements to be introduced and the build-up over time of the number of non-taxpayers receiving their interest gross. Table 4.1 shows that receipts could be about £550 million higher in 1991-92 than if the composite rate system had remained in place. This is, however, a temporary effect, and in 1992-93 receipts are likely to be somewhat lower than they would have been had composite rate continued.

Direct effects of changes in taxation

£ million

	Estimated effect on receipts in: 1990-91		1991-92
	Changes from a non-indexed base	Changes from an indexed base	Changes from an indexed base
INLAND REVENUE			
Income tax			
1 Increase in personal allowance of £220	− 1070	−	−
2 Increase in married couple's allowance, additional personal allowance and widow's bereavement allowance of £130	− 280	−	−
3 Increases for those aged 65 to 74 of £270 in the personal allowance and £160 in the married couple's allowance	− 90	−	−
4 Increases for those aged 75 and over of £280 in the personal allowance and £160 in the married couple's allowance	− 45	−	−
5 Increase in income limit for age-related-allowances of £900	− 10	−	−
6 No change in basic rate limit	−	+ 220	+ 400
7 Doubling of the blind person's allowance	*	*	*
8 Benefits-in-kind—exemption of workplace nurseries	− 10	− 10	− 10
9 Benefits-in-kind—car scales	+ 160	+ 160	+ 200
10 Tax Exempt Special Savings Accounts	− 20	− 20	− 200
11 Abolition of composite rate	−	−	+ 550
12 SAYE—extension to banks	*	*	*
13 Payroll giving to charities—increase in donation limit to £600 a year	*	*	*
Income tax and corporation tax			
14 Relief for single donations to charities	−	−	*
15 Life assurance companies—changes in tax rules	+ 50	+ 50	+ 100
16 Claims under Pay and File	−	−	−
17 Friendly societies	*	*	*
18 Relief for expenditure on waste disposal sites	− 5	− 5	− 10
19 Relief for business contributions to Training and Enterprise Councils	*	*	*
20 Dual resident companies	*	*	*
21 Futures and options—exemption for authorised unit trusts and pension schems	−	−	*
Income tax and capital gains tax			
22 Personal Equity Plans	*	*	*
23 Business Expansion Scheme—increase in limit	*	*	− 5
24 Business Expansion Scheme—locality rule	*	*	*
25 Index-linked bonds	*	*	*
Income tax, corporation tax and capital gains tax			
26 Rules for European Economic Interest Groupings	*	*	*
27 Changes affecting collective investment schemes and their investors	*	*	*
28 Convertible bonds	*	*	*
29 Post-consolidation amendments etc	*	*	*
30 Assessing procedures and returns	−	−	−
Income tax, corporation tax, capital gains tax and inheritance tax			
31 European Community—tax information powers	*	*	*
Corporation tax			
32 Increase in profits limits for small companies' rate and marginal relief	*	*	− 25
33 Phasing of tax relief for doubtful sovereign debt	*	*	+ 200
34 Subsidiarisation of UK branches	*	*	*
35 Definition of group	*	*	*
Capital gains tax			
36 No change in annual exempt amount	−	−	+ 10
Capital gains tax and corporation tax			
37 Relief for irrecoverable bonds	*	*	*
38 Roll-over for sales of shares to employee share ownership trusts	*	*	*
Oil taxation			
39 Revised tax regime for oilfield abandonment	−	−	−
40 Restriction of oil industry capital losses	*	*	*
41 Time limits for reopening decisions on certain PRT expenditure claims	+ 20	+ 20	+ 10
Inheritance tax			
42 Indexation of threshold	− 35	−	−
Stamp duties			
43 Abolition of duties on share transactions	+ 5	+ 5	− 120
TOTAL INLAND REVENUE	**− 1330**	**+ 420**	**+ 1100**

* = *Negligible* — = *Nil*

Direct effects of changes in taxation *(continued)*

£ million

	Estimated effect on receipts in: 1990-91		1991-92
	Changes from a non-indexed base	Changes from an indexed base	Changes from an indexed base
CUSTOMS AND EXCISE			
Value added tax			
44 Simplification of registration requirements	− 35	− 35	− 75
45 Increase in registration limit	*	*	*
46 Revised bad debt relief provisions	—	—	− 150
47 Reliefs for charities	− 5	− 5	− 5
48 Stores for private boats and aircraft	+ 5	+ 5	+ 5
49 Revised treatment of domestic accommodation for directors	+ 5	+ 5	+ 10
50 Adjustment of VAT on capital goods	*	*	*
Excise duties			
51 Increase in duty on cigarettes, cigars and hand-rolling tobacco	+ 330	+ 80	+ 90
52 No change in rate of duty for pipe tobacco	—	− 5	− 5
53 Increase in duty on leaded and unleaded petrol	+ 635	+ 145	+ 160
54 Increase in duty on derv	+ 145	+ 30	+ 35
55 Increase in duty on beer	+ 155	—	—
56 Increase in duty on wine and made wine	+ 50	—	—
57 Increase in duty on spirits	+ 100	+ 20	+ 25
58 Increase in duty on cider and perry	+ 5	—	—
59 Increase in duty on rebated oils	+ 15	—	—
60 Reduction in rate of pool betting duty	− 20	− 20	− 20
TOTAL CUSTOMS AND EXCISE	**+ 1385**	**+ 220**	**+ 70**
Vehicle excise duty			
61 Increase in VED rates for certain lorries	+ 20	− 20	− 20
62 Reduction in VED rates for lorries under 3.5 tonnes	− 5	− 5	− 5
63 Exemption for passenger vehicles for disabled people	*	*	*
64 No change in VED rates for cars, buses, motor cycles, and other vehicles	—	− 185	− 190
TOTAL VED	**+ 15**	**− 210**	**− 215**
TOTAL CHANGES IN TAXATION	**+ 70**	**+ 430**	**+ 955**

* = *Negligible* — = *Nil*

ANNEX

How the figures have been calculated

The table gives the direct effects of changes in taxation. Estimates are rounded to the nearest £5 million. 'Negligible' means less than £3 million.

The direct effect of a tax change is the difference between the yield of tax which would arise on the basis of the rates of tax, allowances, etc prevailing before the Budget (the pre-Budget regime) and the yield after the changes proposed in the Budget (the post-Budget regime). The difference in yield is generally calculated by applying the pre- and post-Budget regimes to the same tax base. This base is the post-Budget base—that is, the levels of income, consumption, profits, etc forecast for future years on the assumption that all the measures proposed in the Budget take effect.

Tax changes may cause changes in taxpayers' behaviour, which in turn can alter the tax base and hence revenue. The direct effects are estimated subject to the constraint that, in general, total incomes and total expenditure are fixed at their post-Budget levels. Thus the estimates in the table do not inlcude income effects—that is, effects arising solely from the impact of changes in taxes on disposable incomes. Nor do they include the effects of changes in the tax base arising from changes in pre-tax incomes, the general level of prices or other macro-economic variables which may result from the proposed tax change. But other behavioural effects are taken into account where it is thought that they will have a significant effect on the yield.

For Customs and Excise taxes and duties, all the estimates of yield incorporate the effects of the tax changes on relative prices and associated changes in the pattern of consumers' expenditure. Aggregate income and consumers' expenditure at factor cost are assumed not to change. Examples where behavioural effects are taken into account for Inland Revenue taxes inlcude the abolition of stamp duties on share transactions and changes involving the take-up of a new or modified relief.

The figures in the first column of the table show the direct effect of the Budget proposals on receipts in 1990–91. Budget proposals are compared with a non-indexed base—that is, with the pre-Budget regime of allowances, thresholds and rates of duty at 1988–89 levels.

The figures in the second column show the direct effect of the Budget proposals on receipts in 1990–91, measured against an indexed base. The indexed base for 1990–91 is obtained by increasing 1988–90 allowances, thresholds and rates of duty by 7.7 per cent, the increase in the RPI over the year to December 1989.

The figures in the third column show the direct effect on receipts in 1991–92, also measured against an indexed base. For this comparison, both the Budget proposals and the indexed base for 1990–91 have been further indexed by the forecast movement in the RPI between the fourth quarters of 1989 and 1990.

The remainder of this annex provides a commentary on the Budget proposals in Table 4.1; the paragraph numbers refer to the lines in this table. Additional information is provided for those proposals where the effect on tax liabilities in the first complete year to which the change applies (full year effect) is substantially different from the effect on receipts in either 1990–92; or where the impact of the proposals is expected to build up over a period of years.

Income tax

The structure of the main income tax allowances will change from 6 April 1990 following the introduction of Independent Taxation. For the purposes of the statutory indexation provisions, the amounts of the new allowances were set last year at 1989—90 levels corresponding to the equivalent allowances under the old system. Comparisons in items 1 to 5 are on this basis.

1 to 5 The increases in the main income tax allowance and income limit for the age-related allowances are in line with the statutory indexation provisions (based on the increase of 7.7 per cent in the RPI in the year to December 1989).

6 The basic rate limit is unchanged at £20,700 of taxable income.

7 The blind person's allowance will be doubled to £1,080 at an annual cost of about £2 million.

8 The benefit-in-kind of workplace nurseries will be exempt from income tax from 6 April 1990. The figures are based on very tentative estimates of the current level of provision.

9 For 1990—91 the scales for taxing car benefits will be increased by 20 per cent from their 1989—90 levels.

10 From 1 January 1991 any individual over 18 will be open one Tax Exempt Special Savings Account with a bank or building society. The maximum which can be paid in will be £9,000 over a 5 year period, with no more than £3,000 in the first year, and not more than £1,800 in any subsequent year. There will be an option to withdraw some interest as it arises, but the capital must be left in the account until the end of the 5 year period, or all the tax relief will be lost.

11 Composite rate tax will be abolished from 6 April 1991. From that date basic rate tax will be deducted from interest paid to depositors. There will be special arrangements for depositors who are not liable to tax to obtain gross interest and avoid any need to claim repayment of tax deducted. In principle the change will be revenue neutral, but it will affect the timing of tax receipts in 1991—92 and later years.

12 Banks (in addition to building societies and National Savings) will be able to operate Save-As-You-Earn schemes.

13 The limit on charitable donations qualifying for relief under payroll deduction schemes will be increased from £480 to £600 from 6 April 1990.

Income tax and corporation tax

14 Income tax relief will be introduced for single donations of £600 or more by individuals to charities from 1 October 1990, up to a maximum of £5 million a year per donor. Corporation tax relief will be introduced on similar lines for donations by companies. The cost will depend on take-up and may rise to about £15 million.

15 Changes to the tax rules for life assurance consequential to changes in Finance Act 1989 were announced on 20 December 1989; they are expected to yield £50 million in 1990—91 and £100 million in 1991—92. A further measure will be introduced to "ring-fence" long-term business assets. Without this measure, there could be a significant loss of tax.

16 Various changes will be made to the procedural rules for claims by companies to capital allowances and group relief under Pay and File, which will come into effect in 1993 on present plans.

17 The limit on premiums payable under a tax-exempt life insurance policy with a friendly society will increase from £100 a year to £150 a year for policies taken out from 1 September 1990.

18 Expenditure on or after 6 April 1989 on preparing a waste disposal site to receive waste and on making a site good will be made deductible for tax purposes. This measure provides a new basis for relief for this expenditure following a recent Court decision. The estimate of cost is measured against the practice before the Court decision and is highly uncertain.

19 Relief will be provided for contributions by business to Training and Enterprise Councils from 1 April 1990 to 1 April 1995; and the existing relief for business contribution to Local Enterprise Agencies, due to expire on 1 April 1992, which will be extended to 1 April 1995.

20 Provisions will be introduced to prevent the use of certain dual resident companies to avoid a number of tax charges. Without these changes, there could be a substantial loss of tax.

21 Profits from transactions in futures and options by pension schemes and authorised unit trusts will be exempted from income tax and corporation tax.

Income tax and capital gains tax

22 With effect from 6 April 1990 the maximum annual investment in a personal equity plan wil be increased to £6,000; the maximum investment in qualifying unit and investment trusts will be increased to £3,000; and the maximum investment in non-qualifying unit and investment trusts will rise from £750 to £900. The necessary proportion of investment in ordinary UK shares for a unit or investment trust to qualify will be reduced from 75 to 50 per cent.

23 The annual limit of £500,000 for investment raised under the Business Expansion Scheme by a company (other than those engaged in chartering or operating ships or in letting residential property) will be increased to £750,000 for share issues made on or after 1 May 1990.

24 The rule which requires changes in the locality in which a residential property is situated to be taken into account in valuing the property for the purposes of the Business Expansion Scheme will be abolished with effect from 20 March 1990.

25 Certain bonds indexed to a recognised Stock Exchange index of share prices and issued after 8 June 1989 will be treated as "qualifing indexed securities" within Schedule 11 Finance Act 1989.

Income tax, corporation tax and capital gains tax

26 Changes will be introduced (with effect from 1 July 1989) in order to implement fully the provisions of EC Regulation No 2137/85 concerning European Economic Interest Groupings.

27 The main changes are:

- from 1 January 1991 all authorised unit trusts will be subject to corporation tax on their income at a rate of 25 per cent; this special reduced rate currently applies only to trusts that are freely marketable within the European Community;

- indexation will be removed from units in unit trusts or offshore funds that are mainly invested in capital gains tax exempt assets and/or building society shares;

- the distribution rules for investment trusts will be relaxed;

- unit trusts managers will be given an exemption from the anti-bond washing rules.

28 Bonds with "put options" exercisable by the investor and convertible into equity capital of a company, which meet certain qualifying conditions and were issued after 8 June 1989, will cease to be treated as "deep gain securities" within Schedule 11 Finance Act 1989. The difference between cost and realisation price will no longer be taxed entirely as income. Where a bond meets the qualifying conditions:

- for an investor who converts the bond into shares, sells the bond after all put options have expired or redeems the bond when it matures, the normal capital gains tax rules will apply;

- for an investor who exercises a put option or sells the bond before all put options have expired, the accrued yield to the put redemption will be taxed as income. Any excess or shortfall will be treated as a capital gain or loss.

A trading or investment company issuing qualifying convertible bonds will be allowed a deduction for corporation tax purposes for any premium paid to investors who exercise put options. Revenue effects in the longer term are uncertain and will depend on the issue of such bonds.

29 Legislation will be introduced to correct minor errors found following the consolidation of tax law in the Income and Corporation Taxes Act 1988 and the Capital Allowances Act 1990; and to make consequential technical changes.

30 Minor changes will be made to the rules on administrative procedures.

Income tax, corporation tax, capital gains tax and inheritance tax

31 Legislative changes will be made

- to enable certain information powers in Section 20 Taxes Management Act 1970 to be used on behalf of European Community tax authorities;

- to introduce a restriction on the use of Section 20(2) Taxes Management Act 1970, the Board of Inland Revenue's first party information power;

to enable the inheritance tax (IHT) information powers to be used on behalf of European Community tax authorities from some future date;

to introduce a requirement for an Appeal Commissioner's prior consent to the exercise of the IHT information power.

Corporation tax

32 The profits limit for the small companies' corporation tax rate of 25 per cent for the financial year 1990 will be raised from £150,000 to £200,000 and the limit for marginal relief will be raised from £750,000 to £ 1 million.

33 Rules for calculating relief on doubtful sovereign debt will be laid down and a limit placed on the amount allowable in any one year. Relief for losses on disposal will be phased. The yield in 1991—92 depends on the increase, if any, in the proportion of debt allowable for relief under the present law and on the level of disposals of debt. These cannot be forecast, for illustrative purposes it has been assumed that the proportion of debt allowable for relief without the change would increase by about a tenth in 1990—91 and that disposals of debt amount to around £300 million per annum. The changes will not reduce the total of the tax relief available over the years but will postpone relief in 1991—92 and later years on the assumptions made above.

34 Provisions will be introduced to enable non-resident companies to transfer UK branch activities to UK subsidiaries without facing an immediate charge on capital gains.

35 A technical change will be made to the definition of a group for capital gains purposes.

Capital gains tax

36 The capital gains tax annual exempt amount will remain at £5,000 in the case of indiiduals at £2,500 in the case of most trusts.

Capital gains tax and corporation tax

37 Lenders will be able to claim a capital loss where part or all of a loan in the form of a bond has become irrecoverable.

38 Roll-over relief will be available for certain sales of shares to employee share ownership trusts if the proceeds are reinvested in chargeable assets.

Oil taxation

For periods ending after 30 June 1991:

expenditure incurred in closing down an oil or gas field under an abandonment programme will attract a 100 per cent corporation tax allowance;

losses attributable to the allowance may be carried back up to 3 years;

expenditure eligible for this allowance incurred within 3 years after cessation of a North Sea oil trade will be treated as incurred in the period when the trade ceased;

interest on repayment of petroleum revenue tax (PRT) when any PRT loss is carried back will be restricted, so that repayment plus interest does not exceed 85 per cent of the loss carried back;

where PRT is repaid because a loss is carried back, the resulting corporation tax underpayment will be treated as arising in the period the loss accrued, rather than in the period to which it was carried back.

The long term revenue effects of these measures are very uncertain. They are likely to fluctuate from year to year, but are expected to be broadly revenue neutral overall.

40 Measures were announced on 22 January 1990, with immediate effect, restricting the availability of capital losses on disposal of certain oil industry assets and shares.

41 In cases of fraudulent or negligent conduct by claimants, the three year time-bar on the Inland Revenue re-opening decisions on PRT expenditure claims will be removed.

Inheritance tax

42 The estimated full year cost of indexation attributable to taxable estates in 1990—91 is £90 million.

Stamp duties

43 The following duties will be abolished late in 1991—92 from a date to be appointed by Treasury Ministers to coincide as far as possible with the introduction of the Stock Exchange's new system for paperless share transfers (TAURUS):

the 0.5 per cent *ad valorem* duty on the transfer of UK registered securities;

stamp duty reserve tax;

the 1.5 per cent duties on the conversion of UK shares into depository receipts or their transfer into clearance services;

associated charges on bearer shares and unit trusts units; and

certain fixed (50p) duties on share transfers.

The figures assume abolition of the duties from 1 January 1992. The cost in the first full year is expected to be £800 million, in addition to the estimated £80 million loss of duty already anticipated from the planned switch to paperless share transfers. Announcement of the abolition of the duties on shares is expected to lead to some rise in the value of share transactions. The figures take account of these changes on the receipts from stamp duties and other taxes. In particular it is this factor which accounts for the small yield in 1990—91.

Value added tax

44 The present VAT registration rules will be replaced by a single requirement based on turnover in the previous twelve months. Revised rules based on anticipated turnover will apply to large businesses and short term events which exceed the annual turnover limit in a single month.

45 From 21 March 1990, the registration limit will become £25,400 a year.

46 A comprehensive system will provide relief from VAT on all bad debts more than 2 years old which have been written off in the trader's accounts.

47 From 1 May 1990, VAT relief for charities will be extended to all lifeboats and capital items, the sale or export of donated goods by certain charities' trading companies, and preparatory work for certain types of advertising. Existing relief for equipment used in medical work, bought with donated funds, will be widened.

48 To give effect in the UK to the European Community 18th VAT Directive, VAT at the standard rate will be charged on supplies of stores for foreign-going private voyages and flights.

49 From Royal Assent VAT incurred by companies in the provision of domestic accommodation for directors will not be deductible as input tax.

50 From 1 April 1990, as a consequence of the introduction of a scheme of input tax adjustment for computers, computer equipment, land and buildings, these assets will no longer be liable to the self-supply charge which arises when a business is transferred as a going concern to a member of a partly exempt group.

Excise duties

51 The specific duty on cigarettes, cigars and hand-rolling tobacco will be increased by 10 per cent, equivalent to 9.6p on a packet of 20 cigarettes, 4.8p on a packet of 5 small cigars and 29.6p on a 50 gram packet of hand-rolling tobacco (inclusive of VAT).

52 The duty on pipe tobacco remains unchanged.

53 The duty on leaded and unleaded petrol will be increased by 10 per cent, equivalent to a VAT inclusive increase of 2.3p a litre (10.7p per gallon) for leaded petrol and 2.0p a litre (9.3p per gallon) for unleaded petrol. The tax differential in favour of unleaded petrol will rise to 3.4p a litre (15.6p per gallon).

54 The duty on derv will be increased by 10 per cent, equivalent to a VAT inclusive increase of 2.0p per litre (9p per gallon).

55 The duty on typical beer will be increased by 7.7 per cent, equivalent to a VAT inclusive increase of 1.7p a pint.

56 The duties on wine and made wine will be increased by 7.7 per cent, equivalent to a VAT inclusive increase of 7p on a 75cl bottle of still wine, 11p on a 75cl bottle of sparkling wine, 1p on a 70cl bottle of sherry and 14p on a 75cl bottle of port.

57 The duty on spirits will rise by 10 per cent, equivalent to a VAT inclusive increase of 54.4p on a 75cl bottle of spirits.

58 The duty on cider and perry will be increased by 7.7 er cent, equivalent to a VAT inclusive increase of 0.9 a pint.

59 The duty on gas oil and fuel oil will rise by 7.7 per cent, equivalent to 0.1p a litre (0.4p per gallon). These increases are exclusive of VAT. Gas oil and fuel oil supplied to domestic users is not liable to VAT; supplies to commercial users will, from 1 July 1990, be liable to VAT at the standard rate.

60 The rate of pool betting duty will be reduced from 42½ per cent to 40 per cent for an initial period of 5 years providing the pools promoters and the Football Trust agree that the duty saved will be used to improve safety and conditions at football grounds.

Vehicle excise duties

61 From 21 March 1990, the rates of duty on certain rigid lorries will be increased to bring their total motoring taxation more into line with that of articulated vehicles of similar gross weight. The number of duty rates for articulated vehicles will be reduced from 270 to 108.

62 From 1 October 1990, lorries under 3.5 tonnes will be brought within the private and light good class. Their VED will therefore fall from £130 to £100.

63 From 21 March 1990, a new taxation class will be created for passenger vehicles for disabled people which will be exempt from VED.

64 There will be no change in the duties on cars, light vans, motor cycles, taxis, buses and coaches, three-wheelers and most lorries. the number of duty rates for general haulage vehicles will be reduced from eight to one and for trailers from five to two.

The Economy: recent developments and prospects to mid-1991

The following notes and tables are taken from the *Financial Statement and Budget Report 1989–90* (HMSO, March 1989) (Price £7.80):

Summary

GDP is forecast to grow by 1 per cent in 1990, following above trend growth in the non-North Sea economy for several years. Retail price inflation should begin to fall by the end of 1990, reaching 5 per cent by mid-1991.

Assumptions

The forecast assumes that fiscal and monetary policies are operated within the framework of the Medium Term Financial Strategy. It assumes that both North Sea oil prices and sterling remain close to recent levels. The public sector debt repayment (PSDR) is forecast to be about £7 billion in both 1989—90 and 1990—91.

GDP growth slowed to 2¼ per cent in 1989, partly because of a large fall in North Sea oil output. Growth of consumers' expenditure slowed markedly through 1989 and fixed investment flattened off. But exports accelerated sharply in the second half of 1989, while import growth fell.

Domestic demand is forecast to fall slighly in 1990. But this is likely to be offset by strong growth in net exports, and GDP is forecast to rise by 1 per cent.

Inflation

Retail price inflation was 7½ per cent in the fourth quarter of 1989; excluding mortgage interest payments it was 6 per cent. Total retail price inflation is expected to rise further in the coming months, before falling to 7¼ per cent by the fourth quarter of 1990 in response to the continued slow-down in the economy. It is forecast to fall to 5 per cent by mid-1991 and further thereafter.

Trade and current account

The current account deficit was nearly £21 billion in 1989. It has begun to fall in recent months and is forecast to be £15 billion in 1990.

Labour market

Employment has continued to rise rapidly, while unemployment has fallen. With a forecast of low output growth, unemployment could level off in the coming months and may rise, although much depends on the behaviour of wage bargainers.

World economy

Growth of world trade and GNP slowed in 1989, but both were still above the trends for the 1970s and 1980s. They are forecast to slow further in 1990. Inflation in the major economies picked up in 1989 and is now generally as high as or higher than a year ago. It is forecast to moderate slightly in 1990.

Recent developments

GNP growth in the major seven economies is estimated to have slowed from 4½ per cent in 1988 to 3½ per cent in 1989 in response to tighter monetary policy. The slow-down began in North America from mid-1988, and spread to continental Europe in the second half of 1989. GNP was weak in the US at the end of 1989, while in Japan it continued to grow at an estimated 5 per cent, little changed from the first half of the year. Most of the smaller OECD economies experienced strong growth in 1989, slightly faster in aggregate than in 1988. The growth of world trade in manufactures fell slightly, from 9½ per cent in 1988 to around 9 per cent in 1989.

Both the US current account deficit and the Japanese surplus fell sharply in 1989 in dollar terms. The slowing of growth in the US contributed to this. It is also likely that the weakness of the yen against the dollar was a factor—the J curve effect—especially for the US current account.

Increased inflation, and fears of overheating in continental Europe, led to increases in short term interest rates through 1989 in all the major seven economies except the US, where interest rates had risen earlier. Real short term interest rates have also risen in the major seven, but by somewhat less. Long term interest rates have risen since the beginning of 1990, reflecting worldwide concern about future inflation. The rise has been most notable in Germany where uncertainty about the effects of economic and monetary unification has been an additional factor.

Slower economic growth and the tighter stance of monetary policy led to a continued fall in non-oil commodity prices in the second half of 1989 after the supply-led reductions in the first half. *The Economist* non-oil commodity price index in SDR terms fell by 25 per cent at an annual rate through the second half of 1989. Oil prices remain strong, although they have fallen back from their early January peak.

Consumer price inflation in the major seven economies fell back during the third quarter of 1989. But it has risen again since then, and latest data show inflation only a little below the peak of last summer.

Real GNP growth is forecast to slow further in 1990, to around the estimated growth of productive potential. The significant easing of US monetary policy in the second half of 1989 should prevent growth in North America falling much below 2 per cent. Japanese growth is expected to fall in 1990, mainly because of labour shortages and slower investment growth. But growth is unlikely to fall much below that of productive potential. In Germany, GNP growth is expected to remain at about 4 per cent in 1990, as immigration and moves toward unification lead to increased domestic demand. Little change in the German current account surplus is expected. The US deficit and Japanese surplus could widen in 1990.

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Table 1 World economy

	Percentage changes on a year earlier			
	Estimates		Forecasts	
	1988	1989	1990	1991 H1
Major seven countries[1]				
Real GNP	4½	3½	2¾	2¾
Domestic demand	4¾	3¼	2¾	2¾
Consumer price inflation	3¼	4½	4	3¾
Industrial production	6	4	2¾	3
World trade, at constant prices				
Total imports	9	7½	6	6
Trade in manufactures	9½	9	7	7

1 US, Japan, Germany, France, UK, Italy and Canada.

The effects of events in Eastern Europe on world trade and activity are highly uncertain. The forecast of world trade allows for a small increase in exports to Eastern Europe; and German imports are assumed to rise as a result of economic and monetary unification. Together these are assumed to add about ½ per cent to the growth in world trade in 1990 and the first half of 1991. Even so, world trade growth is expected to be slower this year and next than in the past two years, although still above the average of the 1980s.

Non-oil commodity prices are forecast to fall slightly in 1990, and by historical standards are now at low levels in real terms. Oil prices are assumed to remain close to recent levels, slightly higher than in 1989.

Consumer price inflation in the major seven economies is forecast to fall slightly to 3¾ per cent by the end of 1990 as a result of sustained tight monetary policy and slowing demand.

UK demand and output

Growth in domestic demand fell to about 3¼ per cent in 1989, about the same as growth in non-North Sea GDP. Domestic demand is forecast to fall by ½ per cent in 1990. But net trade is likely to make a significant contribution to GDP growth, more than offsetting the projected fall in domestic demand. Total GDP is expected to rise by about 1 per cent in 1990. Part of this is due to a recovery in North Sea output; non-North Sea GDP is expected to rise by ¾ per cent in 1990. Manufacturing production, which is usually more cyclical than total GDP, is likely to be restrained by destocking. It is forecast to change little between 1989 and 1990, consistent with recent CBI evidence on output expectations.

Table 2 Domestic demand and GDP

	Percentage changes on a year earlier		
		Forecast	
	1989	1990	1991 H1
Domestic demand	3¼	– ½	¾
Exports of goods and services	4	7¼	5½
Imports of goods and services	7	1	3
GDP[1]	2¼	1	1½
Non-North Sea GDP[1]	3¼	¾	1½
Manufacturing production	4¾	0	¾

1 Average measure.

Personal sector

Consumer spending in the UK slowed sharply during 1989, and the personal saving ratio rose slightly. The slow-down in spending was most evident in retail sales and, since late summer, lower demand for new cars.

Real personal disposable incomes are expected to rise much more slowly this year, after rising by nearly 5 per cent a year between 1987 and 1989. The main factors behind this slow-down are the slower overall growth of the economy, and a rising debt service burden associated with the sharp increase in personal sector borrowing (mainly mortgage borrowing) of the last few years. Real personal sector wealth, the rapid growth of which probably contributed to strong consumer spending over the last three years, may fall in 1990 with the weakening of house prices.

Despite some pick-up in retail sales growth in recent months, the overall prospect is for slow growth in personal consumption in 1990, and the personal saving ratio may rise a little further.

The housing market weakened in 1989. House prices have fallen recently, after exceptionally strong increases between 1987 and early 1989, and may fall further in 1990. Total investment in new housing fell last year, and is likely to do so again this year, given recent developments in new housing starts and completions.

Company expenditure and income

The latest estimates of business investment and stockbuilding include upward adjustments by the Central Statistical Office (CSO). Though there may be some uncertainty about recent developments, it seems clear that business spending remained high in 1989.

Business investment (including public corporations) is likely to have risen by nearly 9 per cent in 1989, though it probably levelled off around mid-year. This follows two years growth averaging 14 per cent a year. The buoyancy of investment in the last few years probably reflects rising profitability, the very rapid growth of output, and associated capacity constraints.

Recent evidence from CBI Industrial Trends Surveys reveals some weakening of business optimism and investment intentions. This is only to be expected as the economy enters a period of slower growth, after the exceptionally buoyant output of the last few years. Business investment may fall slightly in 1990 as output growth slows further.

General government investment rose sharply in 1989 with central government and local authorities increasing their investment strongly. A further large increase in central government investment is projected for 1990, which more than offsets a fall back in local authorities' investment. Along with the prospects for private dwellings and business investment, this suggests that total investment may show a small fall in 1990.

Table 3 Gross domestic fixed capital formation

	Weights in 1988	Percentage changes on previous year	
			Forecast
		1989	1990
Business[1]	68	8¾	– 1
Private dwellings[2]	20½	– 11¼	– 6¼
General government[3]	11½	11	3¾
Total fixed investment	**100**	**4¾**	**– 1¼**

1 Includes investment by public corporations.
2 Includes purchases less sales of land and existing buildings for the whole economy.
3 Excludes purchases less sales of land and existing buildings.

Stockbuilding increased sharply in 1988 and again in the first three quarters of 1989. Part of the stockbuilding in 1989 may have been involuntary as firms were taken by surprise by the slow-down in demand through the year. Companies apparently destocked in the fourth quarter of 1989, and are forecast to continue to do so in 1990 as domestic demand slows down and sustained high interest rates keep the cost of holding stocks high.

Non-North Sea industrial and commercial company profits (net of stock appreciation) are estimated to have risen by 6 per cent in 1989, after growth averaging nearly 20 per cent a year between 1981 and 1988. With the slow-down in demand and output growth, and a rise in unit labour costs, companies may have faced some pressure on profit margins last year after several years of increase. As a result, the rate of return on capital may have fallen a little, although it was still high by the standards of the 1970s and early 1980s.

Over the last two years non-North Sea industrial and commercial companies' income growth has failed to keep pace with their spending on investment, stockbuilding and dividend payments. As a result, they ran large financial deficits. These deficits were probably willingly undertaken against the background of general optimism, buoyant output and rising profitability. With companies forecast to cut their real spending on investment and stocks, the deficit is likely to fall in 1990.

Trade and the balance of payments

The current account is estimated to have been in deficit by nearly £21 billion in 1989. The visible trade deficit fell more rapidly than expected in the final months of the year, as the growth of imports slowed and that of exports picked up strongly. Offsetting this, the invisibles balance fell more sharply than expected in the second half of 1989—preliminary estimates indicate that it moved into deficit.

Relative costs

Unit labour costs in manufacturing rose faster in the UK than in other major industrial countries in 1989. However, with the fall in sterling during 1989, UK relative unit labour costs at the end of the year were lower than at the end of 1988, and more favourable than in 1985 before the fall in world oil prices.

Table 4 Exchange rate and cost competitiveness

	1985 = 100	
	Sterling index	Relative unit labour costs*
1985 Q4	101.4	103.6
1986 Q4	85.1	82.6
1987 Q4	92.7	93.0
1988 Q4	96.7	98.1
1989 Q4	88.0	96.2

* *Manufacturing sector*

Non-oil trade

The volume of exports of manufactures grew by 11½ per cent in 1989, the highest recorded increase since 1973. As a result, the UK volume share of world trade in manufactures recovered, regaining much of the share lost in 1988. Export performance was helped by the easing of domestic capacity pressures, which held back growth in 1988. In 1990 the volume of exports of manufactures is forecast to rise by 9 per cent and the world trade share is expected to recover further as capacity pressures continue to ease.

Non-oil import volumes rose by 8 per cent in 1989. But growth slowed through the year, and most categories of imports have been flat in recent months as both companies and households have responded to tight policy. With falling domestic demand forecast in 1990, imports are expected to rise only slowly over the next year. Imports of non-manufactures, particularly basic materials, could fall in 1990 as firms destock.

The non-oil terms of trade—export prices relative to import prices—drifted down only slightly over the past year despite the fall in the exchange rate. No significant change is forecast during 1990.

Table 5 Visible trade volumes

	Percentage changes on previous year					
	Non-oil goods		Oil		All goods	
	Exports	Imports	Exports	Imports	Exports	Imports
1988	3½	14½	− 6½	1	1½	13¼
1989	11	8	− 20½	6¾	5½	7¾
1990 Forecast	8¾	1	7¾	4	8½	1¼

Oil trade

North Sea oil production and the oil trade balance recovered strongly in the second half of 1989 from the effects of accidents in the previous eighteen months. Nevertheless production in 1989 as a whole was 20 per cent lower than in 1988, and below the bottom of the range published in the Department of Energy's 1989 Brown Book. As a result, exports fell sharply and the oil trade surplus fell from £3 billion in 1988 to £1½ billion in 1989, despite higher sterling oil prices.

Oil prices in 1990 are assumed to remain close to recent levels. Production is expected to be higher in 1990 than in 1989, even though the need for safety-related investment, following recent accidents, means that extended shutdowns are likely in some fields. And with domestic demand for oil likely to be restrained by slow economic growth, oil exports are forecast to recover in 1990 while oil import growth should slow. The oil trade surplus is forecast to rise to £2 billion.

Invisibles and overseas assets

The invisibles surplus is estimated to have fallen from £6 billion in 1988 to £2½ billion in 1989. The services balance was unchanged, following a fall in 1988. But there was an increase in the United Kingdom's net payments to the EC, concentrated in the second half of 1989. This mainly reflected higher VAT contributions and customs duties, resulting from recent strong economic growth and higher imports from non-EC countries. There was also a sharp fall in net earnings from interest, profits and dividends.

The invisibles surplus is forecast to be £1½ billion in 1990. The services surplus is expected to rise slowly and net EC contributions are likely to be lower in 1990 than in 1989, partly because the UK's abatement under the Fontainebleau mechanism is expected to be larger. However net earnings from interest, profits and dividends are expected to fall in 1990.

The fall in net earnings on overseas assets in 1989 occurred despite a rise in the recorded sterling value of net overseas assets, from a revised estimate of £81 billion at end-1988 to around £110 billion at end-1989. The rise is more than accounted for by favourable revaluations, as world stock markets rose and sterling fell, boosting the sterling value of foreign currency assets. However, the difficulties in measuring certain capital flows—reflected in the large balancing item in the overseas account—and with the valuation of direct investments mean that estimates of net overseas assets are subject to a wide margin of error.

Current account

The current account deficit is forecast to fall to £15 billion in 1990, mainly reflecting a sharp fall in the deficit on trade in manufactures, as domestic demand and capacity pressures ease and exports increase.

Table 6 Current account

	£ billion						
	Manufactures	Oil	Other	Total Visibles	Invisibles	Current balance	Balancing item
1988	− 15	3	− 8½	− 21	6	− 15	10
1989	− 16	1½	− 8½	− 23	2½	− 21	16½
1990 Forecast	− 11	2	− 7½	− 16½	1½	− 15	

Inflation

The annual rate of retail price inflation was 7½ per cent in the fourth quarter of 1989; excluding mortgage interest payments, inflation was 6 per cent. It was boosted by strong food price inflation, in particular sharply rising prices of seasonal food after the unusually hot summer last year. Producer output price inflation (excluding food, drink and tobacco) hardly varied from 5½ per cent through most of 1989, but has edged up in recent months.

CBI data show pay settlements in manufacturing to have risen to just over 8 per cent in the second half of 1989, about 1½ per cent more than a year earlier. Whole economy underlying earnings rose by 9¼ per cent in the year to January 1990, with earnings growth in manufacturing moderated by lower overtime working.

Unit labour costs in manufacturing are estimated to have risen by about 4 per cent in 1989. There is some evidence that manufacturers' profit margins may have come under pressure in the second half of 1989. Unit labour costs are likely to rise faster in 1990 as productivity growth declines with the slow-down in output. Margins are likely to remain subdued, given the forecast for domestic demand and activity.

Prospects

Retail price inflation is likely to rise quite sharply in the next few months. This mainly reflects recent increases in mortgage rates, continued high food price inflation, and, especially, a large increase in the community charge. The average community charge per head set by local authorities in Great Britain is estimated to be around £350, a rise of over 30 per cent on domestic rates per head in 1989.

Retail price inflation is forecast to fall back to 7¼ per cent by the fourth quarter of 1990. Marketed retail price inflation is expected to abate, as slow growth in personal spending squeezes retailers' margins. Food price inflation is expected to come down towards more normal levels. Retail price inflation is likely to drop further by the middle of 1991; community charge increases are assumed to fall back from their exceptionally high levels this year, and the mortgage rate increase in March 1990 will cease to affect the inflation rate.

Table 7 Retail and producer output price inflation

		Percentage changes on a year earlier		
		Forecasts		
	Weights in 1990[1]	1989 Q4	1990 Q4	1991 Q2
Food	15¾	7¼	4¾	4¼
Housing	18½	17¼	16½	5
Other	65¾	5¼	5½	5
Total RPI	**100**	**7½**	**7¼**	**5**
Producer output prices[2]		**5½**	**5¼**	**4¾**

1 The weights used here are provisional. They are unlikely to differ significantly from the final weights which will be available from the CSO on 23 March.
2 Excluding food, drink and tobacco.

Money GDP and the abolition of domestic rates

Money GDP at market prices includes taxes on expenditure. It therefore includes domestic rates, which are regarded as a tax on the consumption of housing services. As in Scotland in 1989, domestic rates are due to be replaced by the community charge in England and Wales from April 1990. The Central Statistical Office (CSO) has decided that the community charge will not be treated in the national accounts as a tax on expenditure, and thus not included in money GDP at market prices. (For a fuller account of this, see the August 1989 issue of *Economic Trends.)*

The abolition of domestic rates thus reduces the *level* of money GDP marginally in 1989—90 and by 1¾ per cent in 1990—91 and subsequent years. The *growth rate* of money GDP will accordingly be reduced slightly in 1989—90 and by 1¾ per cent in 1990—91. The year on year growth rate will be unaffected thereafter by the once-and-for-all distortions.

The level and growth rate of the GDP deflator at market prices are similarly affected by the abolition of domestic rates, by the same percentage amounts as for money GDP. Real GDP is not affected by the change.

Throughout this document, all figures which involve money GDP or the GDP deflator at market prices are presented both on the national accounts basis, and adjusted to remove the distortion due to the abolition of domestic rates. It is the adjusted figures which show the underlying movements.

There is no need to adjust the RPI. Although it is not an indirect tax, it has been decided that the community charge should be included in the RPI, as were domestic rates.

The forecast levels of money GDP and the GDP deflator at market prices are shown on both bases in the table below.

Money GDP and GDP deflator at market prices

	Percentage changes on a year earlier	
	1989—90	1990—91
National accounts basis		
Money GDP	8½	5¾
GDP deflator	6¼	4½
Underlying movement*		
Money GDP	8½	7½
GDP deflator	6½	6½

** Adjusted to remove the distortion due to the abolition of domestic rates.*

Employment

Bouyant output growth since 1983 has led to large increases in the workforce in employment (including those on government training programmes). It rose by nearly 3½ million between March 1983 and September 1989, and by 2¼ million in the three years to September 1989. Excluding those on training programmes the corresponding increases were 3 million and 2 million respectively.

Productivity

Productivity growth moderated in 1989 as it usually does when output growth slows down. Even so, manufacturing productivity rose by 4 per cent last year. It has risen by an average of over 5 per cent a year since 1980, higher than in the 1960s and faster than in any other major country. Despite a sharp slow-down last year, whole economy productivity growth has still risen by an average of over 2 per cent a year since 1980, second only to Japan of all the major economies.

Unemployment

By February 1990, seasonally adjusted adult unemployment had fallen for 43 successive months, by over 1½ million in total. With output growth expected to be low in 1990, the sharp rise in employment of the last few years is likely to tail off and unemployment may rise. But the employment and unemployment outlook depends crucially on wage settlements. The higher wage settlements are, the greater the squeeze on company profitability and the weaker employment prospects will be.

Forecast and outturn

Table 3.8 compares the main elements of the forecast published in the 1989 FSBR with the outturn for 1989 or the latest estimate for 1989-90.

Table 8 Forecast and outturn

	Percentage changes on a year earlier unless otherwise stated		
	1989 FSBR	Outturn or latest estimate	Average errors from past forecasts
GDP (1989)	2½	2¼	1
Non-North Sea GDP (1989)	3	3¼	1
Domestic demand (1989)	2½	3¼	1
RPI (1989 Q4)	5½	7½	1
Money GDP (1989–90)	7¾	8½*	1¾
Balance of payment current account (1989, £ billion)	– 14½	– 21	4½
PSDR (1989–90, £ billion)	14	7*	5¼

** Partly forecast.*

RPI inflation in the fourth quarter of 1989 was higher than forecast in last year's FSBR, mainly because of increases in mortgage interest rates during the year and much faster than expected growth in food prices. GDP grew by 2¼ per cent in 1989, only slightly less than expected, but domestic demand growth was higher than forecast and the contribution of net trade lower. As a result the current account deficit was also higher than forecast. The PSDR is expected to be lower than expected a year ago, because of both higher government spending and slower growth in receipts (see paragraphs 6.07–6.11).

Risks and uncertainties

Table 3.9 summaries the forecast along with the average errors from past forecasts. It is important to remember the relevant margins of error when assessing the forecasts.

The forecast for 1990 takes as given the CSO's estimates of GDP and its components to the end of 1989. These include adjustments to expenditure components—consumers' expenditure, fixed investment, stockbuilding and net exports of services. These bring growth in the expenditure measure of GDP in the last three years more closely into line with that of the output measure, which the CSO regards as the most reliable indicator of recent movements in GDP. Although they improve the overall coherence of recent economic statistics, these adjustments are of necessity based on judgement, and therefore add to the uncertainty that inevitably surrounds any economic forecasts.

Table 9 Economic prospects: summary

	Percentage changes on a year earlier unless otherwise stated			
		Forecast		Average errors from past forecasts[1]
	1989	1990	1991 H1	
GDP and domestic demand at constant prices				
Domestic demand	3¼	– ½	¾	1¼
of which:				
Consumers' expenditure	3¾	1¼	1	1¼
General government consumption	½	¼	¾	1
Fixed investment	4¾	– 1¼	– ¾	3
Change in stockbuilding (as per cent of GDP)	– ¼	– 1¼	¼	½
Exports of goods and services	4	7¼	5½	1½
Imports of goods and services	7	1	3	2¾
Gross domestic product (average measure)	2¼	1	1½	¾
Manufacturing output	4¾	0	¾	1¾
Balance of payments current account (£ billion)	– 21	– 15	– 12[3]	5½
Inflation				
Retail prices index (Q4 on Q4)	7½	7¼	5[4]	1¼
GDP deflator at market prices (financial year)[2]	6¼(6½)	4½(6½)		1
Money GDP at market prices (financial year)[2]	8½(8½)	5¾(7½)		1¾
£ billion	519 (519)	548 (558)		
PSDR (financial year)				
£ billion	7	7		5¾
per cent of GDP	1¼	1¼		1

1 The errors relate to the average differences (on either side of the central figure) between FSBR Industry Act Forecasts and outturn over the last ten years, and apply to the forecasts for 1990.

2 The figures in brackets adjust for the distortion to money GDP and the GDP deflator arising from the abolition of domestic rates. This is explained in the box on page 45.

3 At an annual rate.

4 Q2 on Q2.

Table 10 Gross domestic product and its components [1]

£ billion at 1985 prices, seasonally adjusted

		Consumers' expenditure	General government consumption	Total fixed investment	Exports of goods and services	Change in stocks	Total final expenditure	*Less* imports of goods and services	*Less* adjustment to factor cost	*Plus* statistical adjustment	GDP at factor cost (average measure)	GDP index 1985=100
1985		217.0	73.9	60.3	102.6	0.6	454.5	99.2	49.4	0.0	305.9	100.0
1986		229.4	75.3	61.6	106.9	0.8	474.0	105.9	52.0	− 0.1	316.0	103.3
1987		243.1	76.1	66.9	112.4	1.2	499.7	114.0	55.4	− 0.4	330.0	107.9
1988		260.2	76.4	76.0	113.1	3.9	529.7	128.3	57.7	1.4	345.0	112.8
1989		270.0	76.8	79.7	117.8	3.2	547.5	137.4	59.3	2.0	352.8	115.4
1990		273.6	77.0	78.6	126.2	− 1.5	554.0	138.9	60.7	2.0	356.4	116.5
1988	H1	128.3	38.3	36.8	56.7	0.8	260.8	61.9	28.4	0.5	171.0	111.8
	H2	131.9	38.2	39.3	56.4	3.1	268.9	66.4	29.3	0.8	174.0	113.8
1989	H1	134.6	38.2	39.5	57.7	2.8	272.8	68.9	29.3	1.0	175.5	114.8
	H2	135.4	38.7	40.2	60.1	0.4	274.7	68.5	30.0	1.1	177.3	115.9
1990	H1	136.8	38.5	39.7	62.3	− 0.6	276.7	69.3	30.4	1.0	178.0	116.4
	H2	136.8	38.6	38.9	64.0	− 0.9	277.3	69.5	30.4	1.0	178.4	116.7
1991	H1	138.3	38.7	39.4	65.7	− 0.2	281.9	71.4	30.8	1.0	180.7	118.2
		Percentage changes on a year earlier [2]										
1988		7	½	13¾	¾	¾	6	12½	4¼	½	4½	4½
1989		3¾	½	4¾	4	− ¼	3¼	7	2¾	¼	2¼	2¼
1990		1¼	¼	− 1¼	7¼	− 1¼	1¼	1	2½	0	1	1
1991	H1	1	¾	− ¾	5½	¼	2	3	1¼	0	1½	1½

1 The GDP figures are averages of constant price expenditure, output and income estimates of GDP. Percentage changes are calculated from unrounded levels, then rounded to the nearest quarter per cent.

2 For stockbuilding and the statistical adjustment, changes are expressed as a per cent of GDP.

Index of sources

United Kingdom balance of payments: National income and expenditure. In addition to the series indexed below, further detailed statistics are included in the regular quarterly articles (see inside back cover).

	Table	*Source*	*Further statistics*
Average earnings	1,23	Department of Employment	Monthly Digest of Statistics Employment Gazette
Balance of payments	1,27	Central Statistical Office	Financial Statistics Quarterly articles in Economic Trends
Banking		Bank of England	Financial Statistics
Bank loans, advances and acceptances	36,37,38		
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Current balance (see also Balance of payments)	1,27		
Cyclical indicators (see article on page 70)			
Distributive trades		Central Statistical Office	Monthly Digest of Statistics
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Employed labour force	20,21	Central Statistical Office	Monthly Digest of Statistics
Employees in employment		Department of Employment	Monthly Digest of Statistics
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Consumers' expenditure on fuel and light	5	Central Statistical Office	Monthly Digest of Statistics
output index for energy and water supply	16		Monthly Digest of Statistics
Primary fuel input: total, coal and petroleum	15	Department of Energy	United Kingdom Energy Statistics
Public supply: electricity	15		Energy Trends
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In plant and machinery, new buildings and work	10	Department of Trade and Industry	Monthly Digest of Statistics
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Housing			
Average price of new dwellings mortgages approved	12	Department of the Environment Building Societies Association	Housing and Construction Statistics
Commitments and advances on new dwellings	12	Building Societies Association	Financial Statistics
Consumers' expenditure on housing	5	Central Statistical Office	Monthly Digest of Statistics
Fixed investment in dwellings	9,12		
Orders received by contractors for new houses	12	Department of the Environment	Monthly Digest of Statistics
Starts and completions	12	Scottish Development Department	Housing and Construction Statistics
Imports			
Of goods		Department of Trade and Industry	Monthly Digest of Statistics Business Bulletin
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